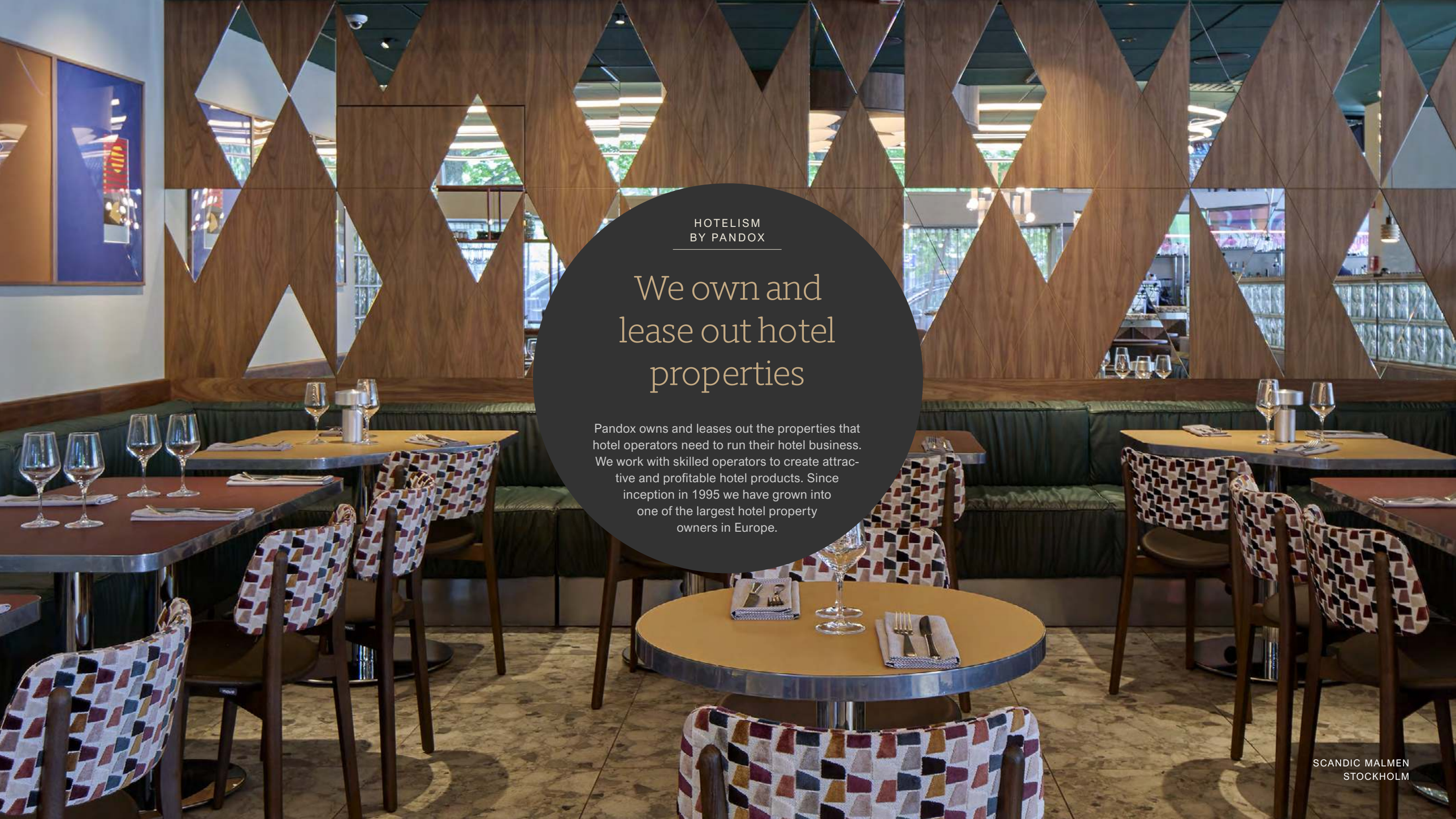
Pandox™

Annual Report 2025



HOTELISM
BY PANDOX

We own and lease out hotel properties

Pandox owns and leases out the properties that hotel operators need to run their hotel business. We work with skilled operators to create attractive and profitable hotel products. Since inception in 1995 we have grown into one of the largest hotel property owners in Europe.

SCANDIC MALMEN
STOCKHOLM

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LEONARDO HOTEL
BADEN-BADEN

HOTELISM BY PANDOX

Strategy and value creation

Pandox's business concept is to own, develop and lease out hotel properties to skilled hotel operators under long-term, revenue-based leases with guaranteed minimum levels.

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A bigger Pandox

Acquisitions

DALATA HOTEL GROUP PLC

UK and Ireland | With the acquisition of Dalata Hotel Group plc, Pandox's portfolio grows by 31 hotel properties in Ireland and the UK. The acquisition consolidates our position as the leading hotel property owner in Europe. The acquired hotel properties, operated under the Clayton and Maldron brands, are of high quality, belong to the profitable upper-mid price segment and will make an immediate and significant contribution to the Company's earnings. Once Dalata's business has been split into a property ownership side and a hotel operations side, Scandic is expected to acquire the latter and to operate the 31 hotel properties under long-term revenue-based leases with a guaranteed minimum level.

Read more on pages 28–29.

ELITE HOTEL FROST KIRUNA

Sweden | Elite Hotel Frost is a newly built hotel with 154 rooms in central Kiruna, a unique tourist destination in northern Sweden. The hotel has two restaurants, a rooftop bar, conference rooms, a gym and a spa in a modern Scandinavian design. The acquisition cost was MSEK 347 with an expected stabilised yield of around 7 percent.

HOTEL PULLMAN COLOGNE

Germany | Hotel Pullman Cologne is a centrally located full-service hotel with 275 rooms and large meeting spaces. There is significant potential for renovation and repositioning to strengthen the hotel product and increase the return on the hotel property. The acquisition cost was around MEUR 66 with an initial yield of around 6.5 percent.

Investments

SCANDIC MALMEN STOCKHOLM

Sweden | Renovation of all rooms, new restaurant concept and bars at entrance level, and expansion of the hotel by 23 rooms to make a total of 355 rooms.

SCANDIC ALVIK STOCKHOLM

Sweden | All 324 rooms and bathrooms have been updated, while the entrance level has been completely remodelled with a new restaurant and bar.

THE HOTEL BRUSSELS

Belgium | Upgrade of all 422 rooms, a new spa on the 25th floor with panoramic views, and five new rooms.

LEONARDO ROYAL FRANKFURT

Germany | Extensive renovation of all 449 rooms and bathrooms as well as all public spaces, conference rooms and technical installations completed in 2025.

LEONARDO CHRISTCHURCH

Ireland | Comprehensive renovation of all 182 rooms and bathrooms. The renovation also included updating the lobby and restaurant.

Sustainability

SCIENCE-BASED TARGETS

Own Operations (Scope 1 & 2): Around a third of the action plan has been implemented. This includes the completion of detailed studies into heat pumps, the installation of occupancy sensors and low-flow showers in guest rooms, as well as submeters.

Leases (Scope 3): An internal action plan has been produced to achieve a 25 percent reduction in carbon footprint and integration into the business case has begun.

DIVERSITY AND INCLUSION

86 percent of the hotels in Own Operations have set locally adapted targets for socially marginalised groups.

SUSTAINABILITY-LINKED LOANS

The sustainability-linked portion of the loan portfolio was 41 percent.

REPORTING IN LINE WITH CSRD

Pandox is reporting in line with the Corporate Sustainability Reporting Directive (CSRD) for the second year in a row.

Other significant events

NEW LEASE WITH NUMA FOR HOTEL HUBERT IN BRUSSELS

In January we signed a new lease with hotel operator Numa for Hotel Hubert in Brussels, which has now been repositioned as Numa Brussels Royal Galleries. Reclassification to Leases took place on 1 April and the new agreement gave the property a significant value boost.

HOTEL MARKET DAY 2025

The theme for the year was *"30 years passed, 30 years forward"*. We discussed the development of the hotel market over the past 30 years and analysed what the main drivers are for its continued development. We also celebrated the 30th anniversary of our first Hotel Market Day.

DIVESTMENTS

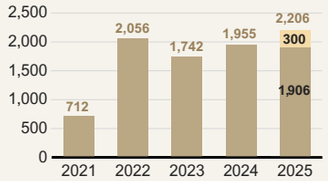
Quality Hotel Winn Göteborg and Scandic Imatra were divested during the year for small amounts. In addition, Crowne Plaza Antwerp was divested on 2 February 2026.

The year in numbers

CASH EARNINGS

MSEK 1,906

Total cash earnings, MSEK

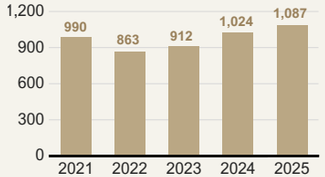


Adjusted for transaction costs and preparatory financial costs attributable to the acquisition of Dalata, cash earnings amounted to MSEK 2,206 – an increase of 13 percent.

INVESTMENTS

1,084

Investments, MSEK

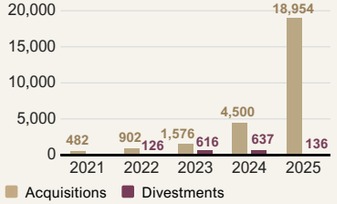


In 2025 Pandox invested MSEK 1,084 in the existing portfolio to strengthen cash flow and increase property value over time.

ACQUISITIONS

MSEK 18,950

Acquisitions and divestments, MSEK

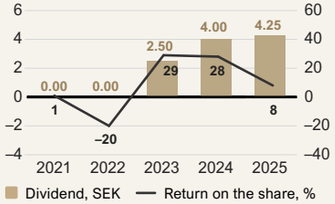


In 2025 Pandox completed acquisitions and divestments for a total equivalent to around MSEK 19,000.

TOTAL RETURN ON THE SHARE

8 percent

Dividend in SEK and total return %



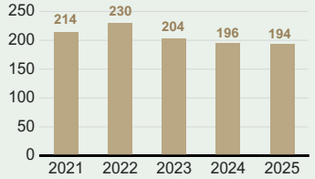
In 2025 the Pandox share's total return was 8 percent, compared with –9 percent for the OMX Stockholm Real Estate GI.

ENERGY INTENSITY

Own Operations

194 kWh/sq m

Energy intensity, kWh/sq m



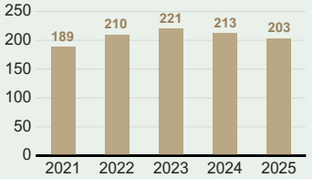
Energy use in the Own Operations segment (Scope 1 and 2) decreased by 1 percent from the previous year due to the results of the green investment programmes.

ENERGY INTENSITY

Tenants' energy use

203 kWh/sq m

Energy intensity, kWh/sq m



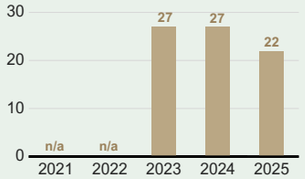
Energy use in the Leases segment (Scope 3) decreased by 5 percent compared to the previous year.

ENERGY-RELATED EMISSIONS

Own Operations

22 kg CO_2e/sq m

kg CO_2e/sq m



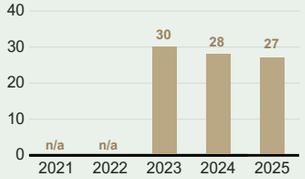
Emissions directly associated with energy use per square metre in Own Operations decreased by 19 percent compared with the previous year.

ENERGY-RELATED EMISSIONS

Leases

27 kg CO_2e/sq m

kg CO_2e/sq m



Emissions directly associated with tenants' energy use in properties per square metre decreased by 4 percent from the previous year.

Financial key ratios

MSEK	2025	2024	Change, %
Total revenue	7,469	7,136	5
Revenue Leases	4,098	3,865	6
Revenue Own Operations	3,371	3,271	3
Total net operating income	4,550	4,139	10
Net operating income Leases	3,579	3,297	9
Net operating income Own Operations	971	842	15
EBITDA[1]	4,086	3,961	3
Profit for the year[2]	3,174	1,706	86
Earnings per share, SEK	16.13	9.04	78
Cash earnings[3]	1,906	1,955	–2
Cash earnings per share, SEK	9.80	10.46	–6
Dividend per share, SEK	4.50	4.25	6
Loan-to-value ratio, properties, %	52.7	45.2	N/A
Interest coverage ratio, times	2.6	2.7	N/A
Market value, properties	91,743	76,334	20
EPRA NRV per share, SEK	227.01	215.58	5

[1] Includes transaction costs of MSEK –241 attributable to the acquisition of Dalata.
[2] Includes transaction costs of MSEK –241, preparatory financial costs of MSEK –59 and an acquisition result of MSEK 1,598 attributable to the acquisition of Dalata.
[3] Includes transaction costs of MSEK –241 and preparatory financial costs of MSEK –59 attributable to the acquisition of Dalata.

KPIs, sustainability

	2025	2024	Change, %
Total number of BREEAM In-Use certified properties[1]	17	16	
Employee satisfaction, %	66[2]	74	
Number of audited suppliers	2,166	2,206	
Total percentage of renewable energy in Own Operations, %	46	38	+8%
Waste per hotel guest in Own Operations, kg	0.8	1.0	–20%
Total water consumption in Own Operations, L/gn	171	168	+2%
Total emissions per square metre, metric tons CO_2e/sq m	43	47	–9%
Total emissions per net revenue, metric tons CO_2e/MSEK	12	13	–8%
Total energy intensity, kWh/sq m	202	209	–3%

[1] One property obtained its certification after the financial year-end.
[2] New calculation method. See page 126 for more information.

Towards new heights

2025 was a big year for Pandox. We celebrated our 30th birthday in fine style with the acquisition of Dalata Hotel Group, which is our largest ever acquisition. This consolidated our position as Europe's leading hotel property owner.

Liia, tell me why 2025 was so special for Pandox?

The past year was filled with milestones. Pandox celebrated 30 years – and did it in the best possible way, with the largest acquisition in the Company's history. A birthday present worthy of such a celebration!

For those who don't know our history: Pandox was established in 1995 by the state-owned company Securum. This was against the background of the deep financial and property crisis that hit Sweden in the early 1990s. Its mission was to gather hotel properties that were having problems into a portfolio and prepare them for sale. Once the worst of the storm had subsided, it became clear that the business – then consisting of 18 hotel properties in Sweden – had the potential to stand on its own two feet. That's how Pandox was born. With the benefit of hindsight, there are many who are pleased with that decision.

Since then Pandox has grown steadily, both geographically and financially, but with the same basic idea: specialising in hotel properties through active, long-term and engaged ownership.

Just in time for our 30th anniversary in November, we made our largest acquisition to date: Dalata Hotel Group, with operations in Ireland and the UK – making the UK our largest individual market, and the UK and Ireland together our largest region.

The hotel market has continued to grow, and Pandox has grown with it. What were the drivers in 2025?

The hotel market's growth has primarily been driven by active leisure travel and many major events. There is great demand for experiences and travel, which time after time outweighs the impact of new geopolitical challenges. In 2025 the hotel market once again demonstrated this strong resilience. Occu-

"Just in time for our 30th anniversary, we made our largest acquisition to date: Dalata Hotel Group, with operations in the UK and Ireland"

LIIA NÕU
CEO Pandox

pancy rates rose during the year, while average room rates remained stable. As usual, there is some variation between different markets and segments: performance by economy and budget hotels was weaker, while higher price segments – where Pandox is mainly active – continued to grow.

Geographically, the Nordic region performed best – especially Norway, along with Sweden and Denmark. In the UK growth was lower than in previous years, but gradually strengthened during the year. In Germany, although underlying demand was stable, growth was negative due to a strong comparison year when the 2024 UEFA European Championships were held in several major cities. Despite this, the year ended on a very strong note, supported by a packed trade fair calendar.

The positive market trend was also reflected in our results, with revenue and net operating income increasing by 5 and 10 percent respectively. Cash earnings adjusted for transaction costs and preparatory financial costs for the acquisition of Dalata amounted to MSEK 2,206 – an increase of 13 percent, or 8 percent per share.

I am very pleased with our performance – with Dalata, with the add-on acquisitions we made during the year in the form of Hotel Pullman Cologne and Elite Hotel Frost in Kiruna, as well as with the profitable investments we are making all the time in our existing portfolio. Several major projects were finished during the year, including Scandic Malmen and Scandic Alvik in Stockholm, The Hotel in Brussels and Leonardo Royal Hotel Frankfurt. Our pipeline of ongoing projects is extensive and will contribute to continued growth in net operating income in the years ahead.

Divestments are also important, as they free up capital that can be reinvested in properties with a higher return. Quality Hotel Winn in Gothenburg, Scandic Imatra and Crowne Plaza Antwerp (which was divested on 2 February 2026) are some examples from the past year.

During the year you acquired Dalata Hotel Group plc – your largest acquisition ever. What were the reasons behind this?

The hotel properties fit well into Pandox's acquisition strategy – they are profitable, are in strong locations and belong to attractive price segments. Since 2017 we have built up a strong market position and knowledge base in the UK and Ireland. Dalata offered a historic opportunity to substantially expand our presence in one of Europe's largest and most dynamic hotel regions.

"Pandox is now one of the largest hotel property owners in Europe with 193 hotel properties in 11 countries, in over 90 cities, with strong partners and well-known brands"

LIIA NÕU
CEO Pandox

Scandic was our operator partner in the transaction and, after splitting Dalata's business into a property ownership side and a hotel operations side, we are retaining 31 investment properties in Ireland and the UK. The intention is that, after the split, Scandic will acquire the operating platform with its total of 56 hotel businesses for MEUR 500, and that it will continue to operate the 31 investment properties under long-term revenue-based leases with a guaranteed minimum level and shared investments – the core of Pandox's business model.

This is a clear example of Pandox's ability to carry out complex and value-creating transactions in international markets.

The acquisition is expected to increase rental income by MSEK 1,145, net operating income by MSEK 1,115 and cash earnings by MSEK 430, measured on an annual basis using the current exchange rate (EUR/SEK 10.55). In the fourth quarter we reported an acquisition result of MSEK 1,598 from the anticipated sale of the operating activities to Scandic, which together with deferred tax of MSEK 1,847 corresponds to a contribution to EPRA NRV of SEK 17.70 per share.

It's also worth mentioning that our loan-to-value ratio at the end of the year was 52.7 percent.

You can read more about the acquisition of Dalata on pages 28–29.

How does Pandox ensure that science-based targets drive both climate and business benefits?

Our SBTi targets are integrated into the business strategy. In the Own Operations segment our green investment programme provides an expected return of around 10 percent while reducing carbon dioxide emissions by 42 percent for 13 properties. For Scope 3 emissions, which are those linked to leases and which account for around 90 percent of our total emissions, we have established a transition plan that relies on working with the tenant to analyse sustainability in each business case. This has resulted in initiatives such as: battery storage and solar panels in Luleå with planned implementation in a further six properties; energy efficiency proposals in several properties that are currently being evaluated; and a new bathroom concept that has been tested in two pilot projects and will be scaled up throughout the Group from 2026.

What are the benefits of CSRD reporting and green financing?

This has strengthened our ability to integrate sustainability into the business. By reporting according to the framework early, we have built robust processes and internal controls that create clarity between strategy, goals and implementation. The share of green financing future-proofs our portfolio and strengthens our long-term access to capital. In 2025 the share of green financing was 41 percent, and our ambition is for all loan agreements to be sustainability-linked.

What is your view on Pandox's position and capital allocation in the coming years?

With the acquisition of Dalata, Pandox is now one of the largest hotel property owners in Europe. We have a fantastic platform with 193 hotel properties in 11 countries, in over 90 cities, with strong partners and well-known brands.

That platform gives us considerable scope for value creation. Through investments that increase cash-flow – such as renovation, repositioning and extensions – we can continue to develop our properties and strengthen our tenants' competitiveness. This type of investment is a central part of Pandox's DNA, and creates both growth and value over time.

We have shown that our business model works in all weathers. Over the period 2015–2025, excluding the Dalata acquisition, we invested around SEK 38 billion in acquiring and refining hotel properties. These investments have increased net operating income by a total of around SEK 2.9 billion per year, corresponding to an average annual return of 7.7 percent. Adjusted for the pandemic effects in 2020, the average return increases to 11.7 percent. This return is a result of our focused business model, the talent and proactiveness within our organisation, and a long-term perspective in which we share risk with our tenants. It is a model we will build on – and which creates value in both the short and the long term.

I would like to extend my great and sincere gratitude to all my colleagues for your commitment and hard work in 2025. You drive Pandox forward every day with your professionalism, creativity and desire to make a difference. Thank you also to our partners for your constructive collaboration and great results – as well as to our shareholders for your valued trust which enables us to continue developing our properties, our destinations and our company.

And as tradition dictates, I would like to say a special thank you to our office dogs – the Pandogs. Your energy, playfulness and unbridled joy contribute more than you will ever know to our work environment. You are a natural and appreciated part of the Pandox family.

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 ourselves, with the objective of signing new leases.

Portfolio optimisation

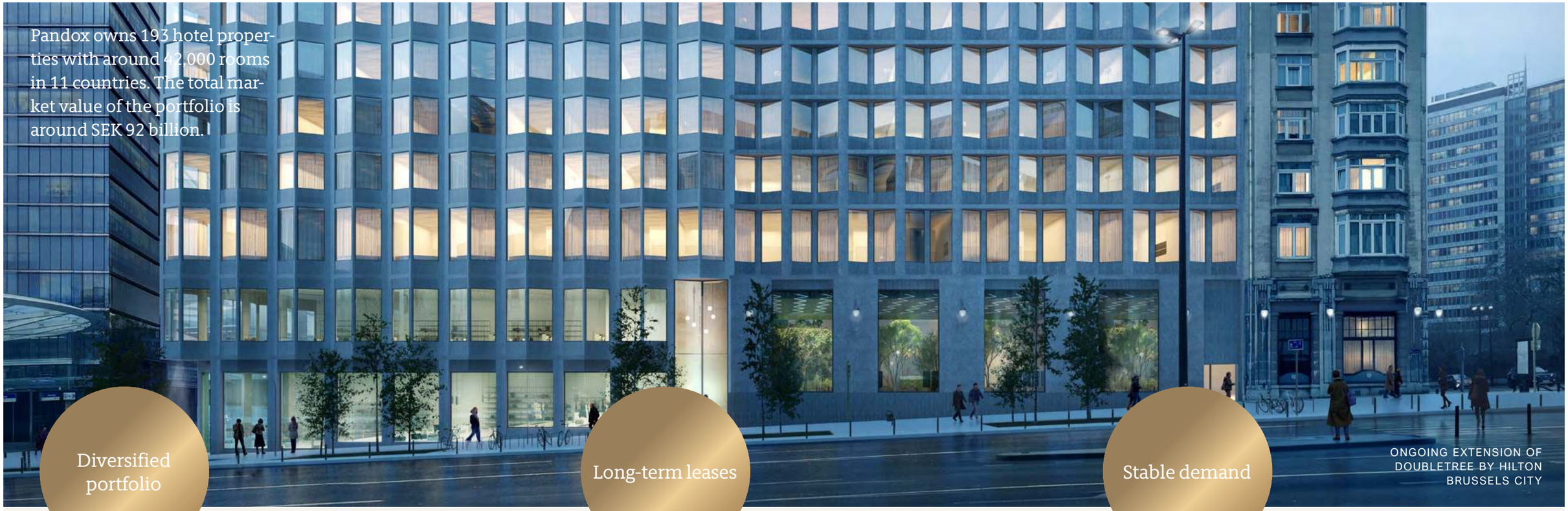
The portfolio is evaluated on an ongoing basis to ensure that each hotel property has attractive yield potential. Acquisitions form the foundation for growth, and divestment is important to free up capital for investments with higher yield potential.

Sustainability

We want to establish an attractive and future-oriented property portfolio by creating resource-efficient properties, sustainable operations, as well as safe and secure environments for our employees and guests.

CLAYTON HOTEL
CORK CITY

Hotel property portfolio



Pandox owns 193 hotel properties with around 42,000 rooms in 11 countries. The total market value of the portfolio is around SEK 92 billion.

ONGOING EXTENSION OF DOUBLETREE BY HILTON BRUSSELS CITY

Diversified portfolio

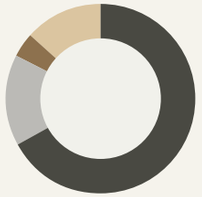
MSEK 91,743
TOTAL PROPERTY VALUE

Market value by country

Long-term leases

13.6 YEARS
WAULT

Type of agreement, number of rooms



Stable demand

90 CITIES

Type of demand, number of rooms

Two segments working together

Leases

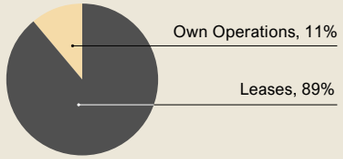
Leases are the core of our business. Our long-term leases are revenue-based, with good guaranteed minimum levels, shared risk and stable earnings.

Own Operations

Within the Own Operations segment we operate hotels in properties that we own. This is an important aspect of our active ownership model. It provides us with valuable flexibility for acquiring and repositioning hotel properties with the aim of creating value through new leases or realising value through divestment.

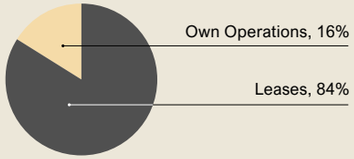
NUMBER OF HOTELS

193



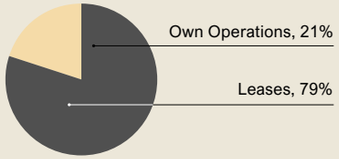
MARKET VALUE, PROPERTIES

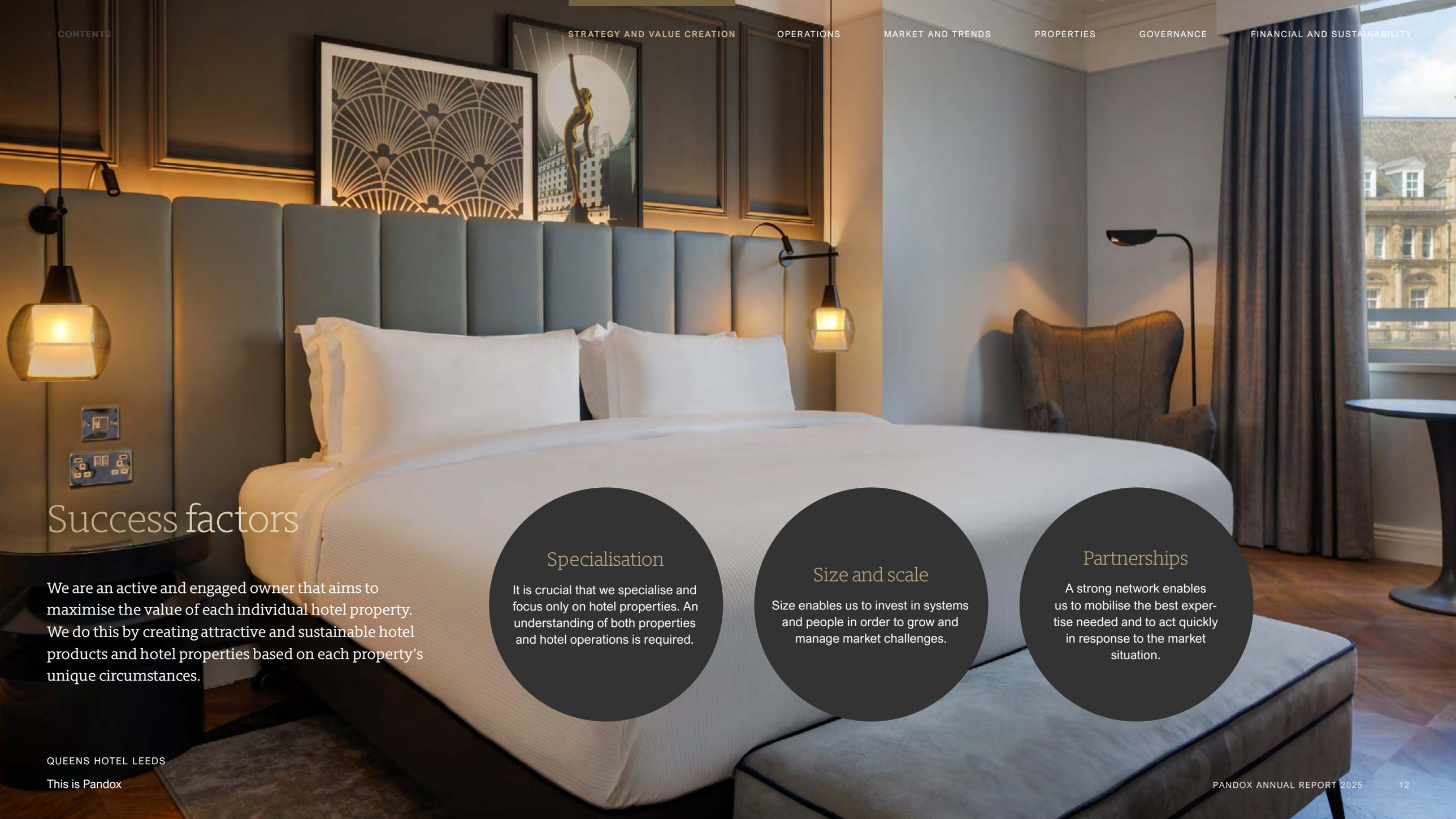
MSEK 91,743



NET OPERATING INCOME

MSEK 4,550





Success factors

We are an active and engaged owner that aims to maximise the value of each individual hotel property. We do this by creating attractive and sustainable hotel products and hotel properties based on each property's unique circumstances.

Specialisation

It is crucial that we specialise and focus only on hotel properties. An understanding of both properties and hotel operations is required.

Size and scale

Size enables us to invest in systems and people in order to grow and manage market challenges.

Partnerships

A strong network enables us to mobilise the best expertise needed and to act quickly in response to the market situation.

QUEENS HOTEL LEEDS

Our values

A strong culture

In 2024 and 2025 Pandox made comprehensive efforts to further develop the corporate culture – focusing on values and leadership principles. These efforts are based on our conviction that strong organisations are built through clear leadership and by people who share a common set of values.

In a series of workshops Pandox's management has analysed what has shaped our culture historically. We have mapped our strengths and the downsides, and have identified behavioural patterns that can sometimes limit us. These efforts resulted in five core values and five leadership principles.

Pandox's autumn kick-off meeting in 2025 put these values at the centre, with a focus on creating commitment and a common understanding of how we want to work going forward.

Our ambition is to preserve what has made Pandox strong – our entrepreneurial spirit, our curiosity and our focus on results. At the same time, we want to develop the parts of our culture that require adaptation as we grow and operate in an increasingly complex international market that is changing all the time. A strong culture has its downsides, but by raising awareness and balancing these, we can continue to grow in a sustainable and inclusive way.

CORE VALUES

COLLABORATION
We collaborate openly and work together to achieve our goals.

CURIOSITY
We are curious and open to new ideas and improvements.

COURAGE
We dare to challenge ourselves, make decisions and try new things.

COMPETENCE
We use our knowledge and experience to create value in everything we do.

CLARITY
We are clear in our goals, our roles and our way of communicating.

Inclusive leadership

Our goal in developing leadership is to ensure that it is conscious and inclusive in order to equip us for the future. In 2025 five leadership principles were formulated to support day-to-day work within Pandox. They are based on our values: Collaboration, Curiosity, Courage, Competence and Clarity.

Pandox aims to remain a leading hotel property owner and to create value in an ever-changing international market. To succeed, we need open and inclusive leaders who drive development, turn knowledge into action and take on challenges with both courage and clarity.

We operate in a complex environment, at the meeting point between properties, hotel operations and guest experiences. Our B2B2C model places high demands on both strategic understanding and operational skills in areas such as hotel development, sustainability, financing, transactions, marketing and operations. Through strong leadership and a culture of learning and responsibility, we can continue to develop, create value for our stakeholders and stay one step ahead in an industry that is constantly moving forward.

Pandox employees at the kick-off event in the Faroe Islands in autumn 2025.

LEADERSHIP IN PRACTICE

We want our leadership principles to be noticeable in daily life and to inspire behaviours that contribute to our development. Here are some examples of desired behaviours for our day-to-day work.

We are inclusive leaders

We build trust through open and honest conversations. We give and receive feedback in a clear and constructive way. We take on challenges with courage and welcome different perspectives because the diversity of experiences and ideas increases the quality of our decisions and our culture.

We work smart, see opportunities and have fun along the way

We combine professionalism with energy and joy. We learn and develop through experience and reflection. We trust in the power of the team, perform our tasks to a high standard and celebrate our successes together.

We have a business perspective and encourage continuous improvement

We focus on the business, maintain a fast pace and see collaboration both within and between different teams as a core value. Both managers and employees are expected to utilise the full scope of their roles and keep others informed.

We lead with expertise, reflect and welcome new perspectives

We use our knowledge and experience, and value new ideas. We combine our expertise with interdepartmental collaboration and value different approaches. Processes are tools that make us more effective.

Open leadership and clear roles

We value honesty, clarity and responsibility in everything we do. Through open communication, consideration and clear roles, we create reassurance and trust. We take responsibility for decisions and share information in a way that strengthens the entire organisation.

Meet some Pandoxers

GUSTAV FRYKLER

Sustainability & Energy Specialist

Tell us about your role at Pandox.
I work as an energy specialist in the Sustainability department and have a broad area of responsibility – from automation of data collection to providing energy expertise as support for property management projects. An important part of my work is following up on our science-based targets. I'm also involved in the strategic planning of how we can achieve the targets effectively and for the long term.

What do you enjoy most about your role?
Sustainability topics affect all parts of the business, and our work is becoming increasingly integrated throughout the organisation. That gives me insight into many exciting projects and collaborations. The role is varied – my work is both strategic and practical, and I also get to go out to the properties.

How would you describe the Pandox culture?
A family atmosphere focused on delivering quality.

What tools would you not manage without?
Excel – and a thermal imaging camera!

KARINE BOURGET

Director Transactions

Tell us about your role at Pandox.
I'm responsible for carrying out transactions that ensure that all current and future hotels in Pandox's portfolio are aligned with our strategy and vision. My work includes identifying and evaluating potential acquisitions, divestments and partnerships, as well as leading the entire transaction process. It's a fast-moving environment where decisions are made quickly, and the kick I get from closing a deal is what I like most!

What is most important to you in order to be happy?
Open dialogue, creative discussions and the freedom to think outside the box. I like an environment that encourages new ideas and personal growth. And wonderful colleagues, of course.

How would you describe the Pandox culture?
Inclusive, ambitious and characterised by my three Fs: forward-looking, flexible and full of energy. What really makes Pandox stand out is the company's genuine concern for its employees.

Favourite hotel or destination?
I love the UK, where Pandox has many fantastic hotels. One that really stands out is DoubleTree by Hilton Bath – a beautiful hotel in a charming city.

LISELOTT PIPER BOND

Performance Manager, Pandox Operations

Tell us about your role at Pandox.
As Performance Manager for our hotels in the Own Operations segment, I support hotel teams in improving operational efficiency through structured, data-driven planning. I help them set clear targets, forecast results and align resources to achieve financial targets as well as targets for guests, teams and sustainability.

What makes your role unique or exciting?
It's the perfect combination of data and people. I get to work with advanced tools while also collaborating with committed, knowledgeable colleagues in different hotel environments.

Which values guide your work?
Integrity, loyalty and a positive attitude. I'm passionate about supporting and coaching colleagues in forecasting, productivity and performance, and contributing to hotel environments where teams feel confident, motivated and proud.

Favourite hotel?
For someone who loves both spas and Scotland, I'm especially looking forward to the opening of the spa at the Radisson Blu in Glasgow in 2026 – it'll be one of the best in the UK.

LARS HÄGGSTRÖM

Senior Advisor

Tell us about your role at Pandox.
I've worked at Pandox for 25 years – for the past five years as a Senior Advisor. I act as a sounding board and knowledge bank for the executive management team and business area managers, working on sustainability, organisational and contractual matters as well as acquisitions.

What do you enjoy most about your role?
Getting to use my experience to support our employees. The role is not about prestige, but about Pandox's development – largely thanks to younger colleagues' new perspectives. I'm constantly learning from them.

What is most important in order for you to be happy at work?
To succeed in what we're doing and deliver results. I'm passionate about getting things done and discussing solutions to internal challenges.

Favourite hotel or destination?
I enjoy hotels that make a statement – a clear product. I like The Hotel in Brussels, which is one of our own. Amansara Angkor Wat is another personal favourite.

ELLEN DEBOECK

Hilton Brussels Grand Place

Tell us about your role at Pandox.
I'm responsible for ensuring that the hotel operates with the precision, stability and quality that Hilton and Pandox represent. That includes strategy, leadership and day-to-day decisions. Together with the team, I drive performance, develop service and ensure that the property remains a strong asset in Pandox's portfolio.

What do you enjoy most about your role?
Leading different teams, unlocking potential and seeing how the culture drives results makes the role energising. Every day brings new guests, new challenges and moments that show why the industry has so much soul.

What is most important in order for you to be happy at work?
Confidence in making decisions, clear goals and a culture where people can be themselves: authenticity builds strong teams and sustainable businesses.

How would you describe the Pandox culture?
Pandox has a hands-on, pragmatic and results-oriented culture. Everyone is expected to take responsibility and deliver, and it also combines history and strong foundations with smart innovation.

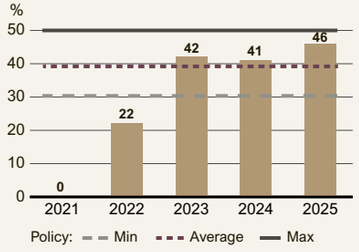
Financial Policy and performance

Financial Policy

DIVIDEND

Pandox's policy is a dividend pay-out ratio of between 30 and 50 percent of cash earnings[1] per share, with an average pay-out ratio over time of around 40 percent.

Dividend pay-out ratio of cash earnings per share



OF CASH EARNINGS PER SHARE

30–50%

Why is the policy important?

The dividend is an important part of the total return on the share, and proof of an effective business model and a profitable business.

How will this be achieved?

- Profitable and sustainable business
- Portfolio with good yield potential
- Lasting value-creation

Outcome 2025

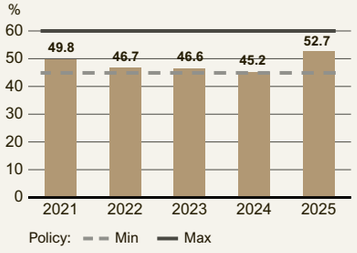
The Board of Directors is proposing a dividend for the 2025 financial year of SEK 4.50 (4.25) per share, totalling around MSEK 876 (827). This is equivalent to a dividend yield, measured on the share price at year-end, of 2.2 (2.2) percent.

[1] Defined as EBITDA plus financial income less financial expense, less financial expense for right-of-use assets according to IFRS 16, less current tax, adjusted for any unrealised translation effect on bank balances and minority interests.

CAPITAL STRUCTURE

A net loan-to-value ratio[2] of between 45 and 60 percent, depending on market development and the opportunities that exist.

Loan-to-value ratio, net



LOAN-TO-VALUE RATIO, NET

45–60%

The loan-to-value ratio policy determines financial risk-taking and ensures financial stability and flexibility.

- Well-diversified portfolio
- Effective capital allocation
- Balanced acquisition strategy

The net loan-to-value ratio was 52.7 (45.2) percent, excluding liabilities held for sale relating to Dalata Hotel Group plc's operating platform (see Note 9), and including non-controlling interests (Eiendomspar's ownership interest in Bidco).

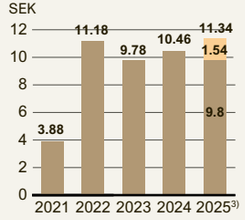
[2] Defined as interest-bearing liabilities less cash and cash equivalents as a percentage of the market value of the properties at the end of the period.

Financial performance

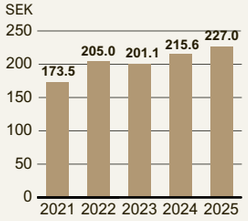
PAST PERFORMANCE

Since inception in 1995 Pandox has developed into one of the largest hotel property owners in Europe. Over this time the value of the property portfolio has increased from around MSEK 600 to over SEK 90 billion.

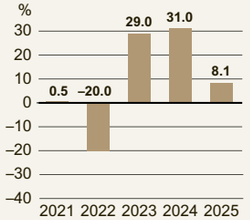
Cash earnings, per share



EPRA NRV, per share



Total return on the share



WHY ARE THESE PERFORMANCE MEASURES IMPORTANT?

Pandox's ambition is to increase the cash flow and value of each individual hotel property. On an aggregated level we measure this in cash earnings and EPRA NRV. The total return on the share is the value created for the shareholders.

Outcome 2025

- Cash earnings per share increased by 8 percent, adjusted for transaction costs of MSEK –241 and preparatory financial costs of MSEK –59 attributable to the acquisition of Dalata.
- EPRA NRV per share amounted to SEK 227.01. Growth in EPRA NRV per share, with the dividend added back and adjusted for the new share issue, amounted to 7.3 percent.
- The total return on Pandox shares was 8 percent.

[3] Adjusted for transaction costs of MSEK –241 and preparatory financial costs of MSEK –37 in the third quarter and MSEK –22 in the fourth quarter for the acquisition of Dalata Hotel Group plc.

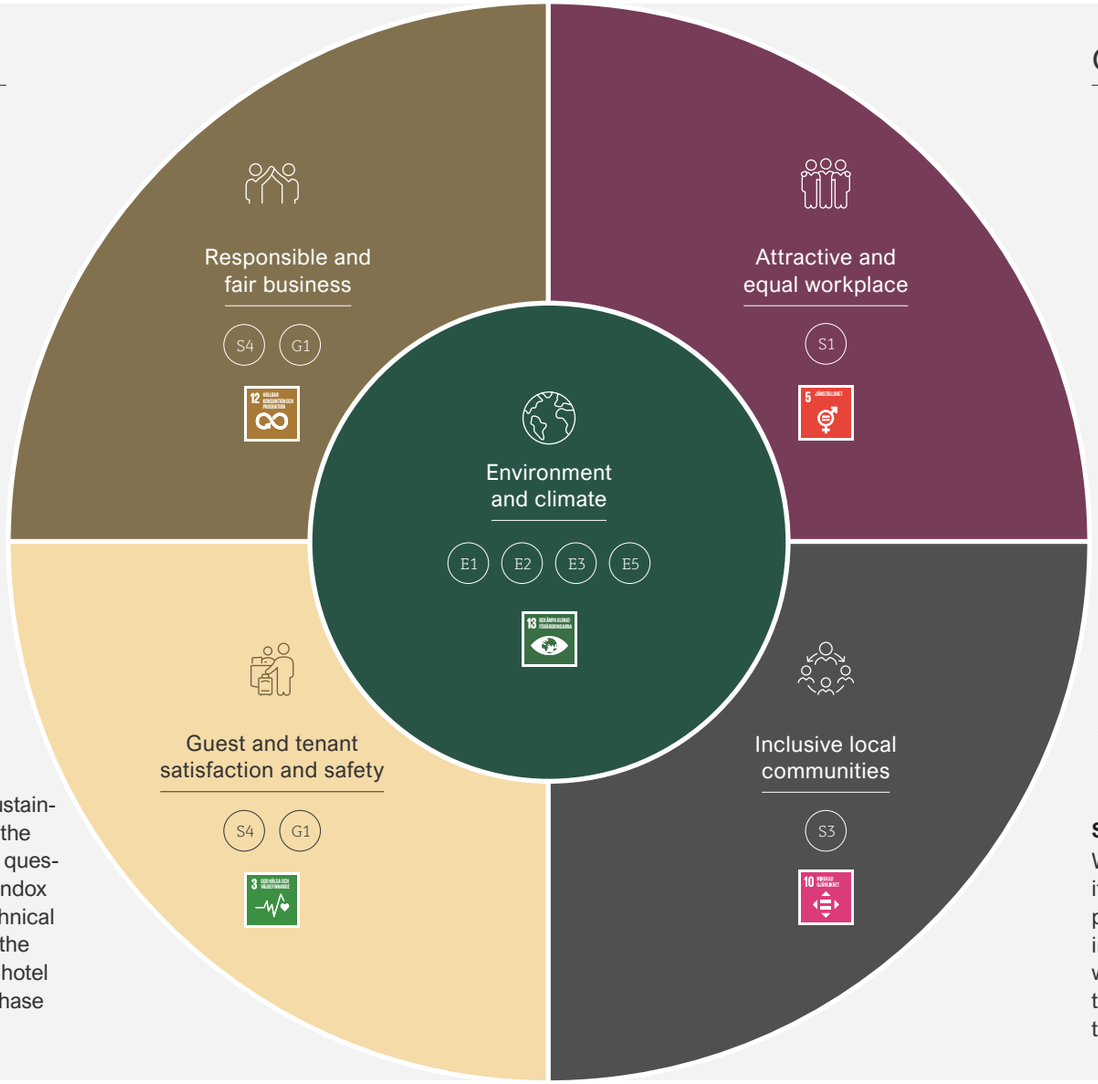
Sustainability strategy

Leases

84%
of market value

1%
of employees

SHARED RESPONSIBILITY
In the Leases segment our responsibility is limited to technical sustainability at the hotels. This responsibility is set out in the lease with the hotel operator and is based on market practices in the country in question. In somewhat simplified terms, this can be summed up as Pandox being responsible for everything relating to the structure and technical operation of the property. Examples include the external shell of the building, technical maintenance and property development. The hotel operator is responsible for the hotel's operation, and for the purchase and consumption of electricity, water, heating and cooling.



Own Operations

16%
of market value

99%
of employees

SHARED RESPONSIBILITY
Within the Own Operations segment we have full responsibility for all sustainability topics – whether they concern the hotel property or hotel operations. Examples of our responsibilities include the purchase and consumption of energy and water, waste management, technical operations and maintenance, technical installations as well as all sustainability topics relating to hotel personnel and guests.

Environment and climate

PURPOSE

Pandox works strategically towards its approved science-based targets in order to reduce climate emissions. We also focus on compliance and on being able to meet more stringent requirements for energy performance certificates.

OUR PRIORITIES

- Automate environmental data
- Behavioural changes (Own Operations)
- Energy efficiency improvements
- Phase out gas
- Renewable energy
- Green addendums (Leases)
- Sustainability-linked financing
- Sustainable material choices and reuse during renovations

OUR TARGETS AND PERFORMANCE

	Target	Outcome 2025
Leases		
GHG emissions (SBTi by 2030)	–25%	–20%[1]
Own Operations		
GHG emissions (SBTi by 2030)	–42%	–32%[1]
BREEAM In-Use certifications	100%	61%
Chemical-free cleaning products	80%	74%
Water consumption, L/guest night	–5% per year	+2%
Waste, kg/guest night	1	0.8
PMI Index (behavioural change)	85% >8.0	82% >8.2

[1] Compared with the baseline year of 2022.

Leases

HOW WE'RE WORKING ON THIS

Within Leases, Pandox's responsibility for sustainability is limited to what concerns the hotel properties themselves. The main topics we work on are renewable energy, energy efficiency and measures to reduce climate-impacting emissions.

Renewable energy
In 2025 the share of renewable energy in the tenants' own contracts was 35 (33) percent of total energy use. In Leases, where there are external hotel operators, it is the tenant that signs an electricity contract. Pandox can exert some influence in dialogue with the hotel operators, for example when green addendums are incorporated into leases. Pandox has decided to invest in the installation of solar panels and battery storage at six motels, which will contribute both to increased production of renewable energy and to an improved energy rating.

Environmental certification
At the end of 2025 a total of 3 (2) properties within the Leases segment had BREEAM In-Use certification at the level Very Good, one of which was granted its certification after the end of the year. The hotel operations have independent, third-party audited environmental certification such as Green Key or the Nordic Swan in 92 (88) percent of properties.

Reducing climate impact through energy efficiency
During the year Pandox has focused on conducting a thorough inventory of the properties to create a clear picture of the starting position. This work helps us to prioritise the right efforts going forward. The next step is to decide on proposed pilot projects that enable us to gradually reduce emissions – with a clear requirement that each action must be commercially sustainable.

Green addendums
During the year Pandox added a green addendum to two leases in conjunction with renegotiation of the lease, making a total of six. The addendum regulates matters relating to consensus on sustainability, access to energy data and certifications.

Green loans
At the end of the year 41 (48) percent of Pandox's total loan stock was sustainability-linked financing. The decrease is due to the fact that the percentage of loans that are not sustainability-linked increased in connection with the acquisition of Dalata.

35%
renewable energy

92%
of hotel operations certified

41%
green financing

REAL-LIFE EXAMPLES

Using AI for better control

In 2025 Pandox installed Nrlyze – an AI system that will cost-effectively help reduce district heating consumption. Using algorithms and wireless sensors, the heating system is controlled based on temperatures and humidity in the building – rather than by the outside temperature alone. The expected saving on district heating is 15 percent. During the year a pilot project was started at Scandic Kalmar Väst and if, after evaluation, the results are deemed good, the model may be used in more hotels.

Solar panels and battery storage for better energy use

At Scandic Luleå, solar carports have been installed along with a new battery storage system. These actions are expected to reduce the property's annual electricity consumption by 15 percent and enhance its energy performance. The pilot project will be duplicated at a further six motels in the coming year.

Climate risk assessment IRL

As part of the Group-wide risk process, three physical climate risk assessments have been carried out on site at Pandox properties that could potentially be affected by climate risks and flooding. Implementation of relevant measures will begin in 2026.

More circular thinking

Pandox has taken important steps towards increased circularity in bathroom renovations – the category that is renovated most frequently. Here, a new concept for reuse and reduced climate impact has been developed with the goal of reducing emissions without compromising on guest comfort or operational efficiency for the tenant. The concept will be introduced at Scandic St Jörgen in the first quarter of 2026, with the aim of completion in December 2026.

Environment and climate

Own Operations

HOW WE'RE WORKING ON THIS

Within this segment Pandox has full sustainability responsibility for all topics relating to both the hotel properties and hotel operations. Important topics include renewable energy, energy efficiency and environmental certification, as well as changes in the behaviour of guests and employees. The initiatives are linked to the science-based target for Scope 1 and 2 of reducing CO_2 emissions by 42 percent.

Renewable energy
The goal is to increase the use of renewable energy sources, particularly at hotels that we operate – where we have a direct influence. In 2025 the share of renewable energy was 46 (38) percent of total energy use. The increase is due to all hotels within the Own Operations segment now holding green certificates.

Energy efficiency improvements
The energy optimisation efforts continued during the year. These include completion of the more in-depth analysis required for the procurement of heat pumps, which forms a key part of Pandox's climate change programme. See pages 21 and 106 for more information.

Environmental certification
At the end of 2025 a total of 14 (13) of the 23 properties within the Own Operations segment had BREEAM In-Use certification at the Very Good level. The hotel operations at all properties were third-party certified through the leading standard Green Key.

Changing behaviour is important for transition
The Green Module is a PMI index for measuring and weighting behavioural changes and actions within six different categories: energy, water, waste, food waste, chemicals, and towels and linens. The index is linked to the incentive schemes for managers and selected heads of department. The ambition is for at least 85 percent of the hotels in the Own Operations segment to achieve at least level 8 in 2025, followed by level 8.5 in 2026. The targets are reviewed annually. In 2025 the outcome was 8.2. A clear link can be seen to management changes at the hotels that underperformed in 2025.

Sustainable sourcing
The year saw continued work to implement Pandox's responsible sourcing guidelines, which establish minimum requirements and key indicators for 10 priority sourcing areas including food, textiles, chemicals, plastics and paper. The guidelines set requirements for local and certified sourcing as well as decent labour practices and high environmental performance. For example, they state that 90 percent of all fish and 100 percent of all coffee must be certified to an internationally recognised standard. During the year 93 percent of all purchased fish and 73 percent of all purchased coffee in Germany were certified.

46%
renewable energy

14
BREEAM In-Use

100%
Green Key certified hotels

74%
chemical-free products

REAL-LIFE EXAMPLES

Smart rooms

During the year occupancy and CO_2 sensors were installed in 73 percent of guest rooms. These sensors enable automated control of ventilation and temperature, and can provide energy savings of up to 20 percent for guests staying one night.

Focus on chemical-free products

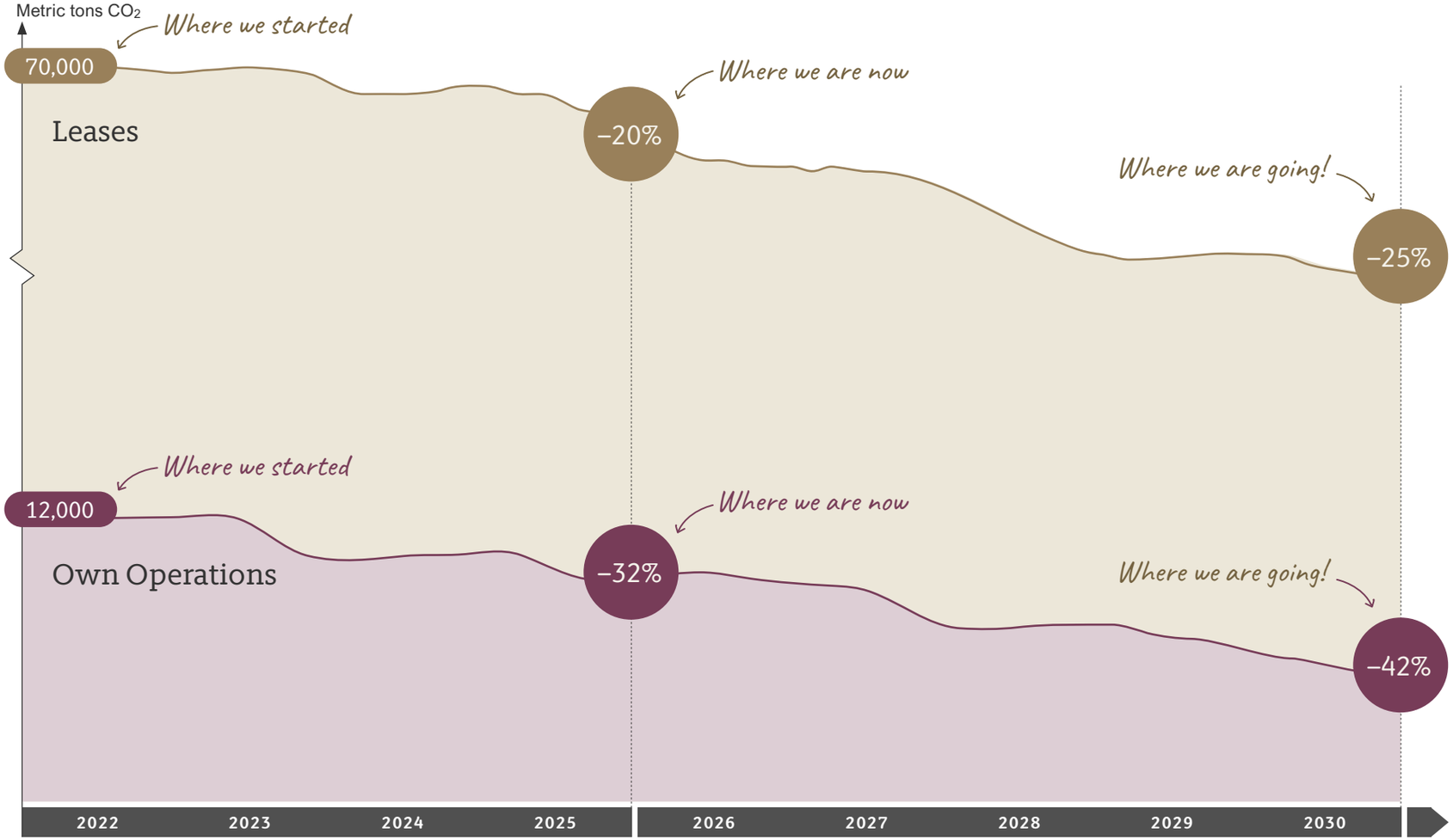
During the year Pandox continued to focus on reducing the use of chemicals at the hotels in order to reduce adverse health effects on employees and negative environmental impact. Practical training on the purpose of chemical-free cleaning and its use was produced during the year. The proportion of chemical-free or environmentally certified cleaning products was 74 (80) percent in 2025. The decrease is due to the fact that four hotels acquired in 2024 have not yet been trained in the new methods. This is planned to be carried out in early 2026.

Winnow system reduces food waste

In 2025 Pandox upgraded its food waste system to AI-enabled containers that automatically identify and categorise food waste. This reduces the need for manual sorting and provides more reliable data for reducing food waste. Roll-out was completed in Q1 2026. At the same time, the hotels set individual targets and several achieved clear improvements through better buffet planning, new local partnerships and distribution of surplus food.

Climate targets

Pandox has approved science-based targets (SBT) for climate impact. The targets involve reducing greenhouse gas emissions by 42 percent in the Own Operations business segment and by 25 percent in the Leases segment by 2030.



For the Own Operations segment (Scope 1 and 2), Pandox has decided on a MEUR 29 climate transition programme that now covers 13 hotel properties, compared with the original eight. The number of properties may be adjusted based on current circumstances, but the targets are fixed and the efforts are organised in an agile process where opportunities are continuously evaluated. Over time the project will generate cost savings that are expected to amount to MEUR 3 annually by no later than the end of 2030. The programme includes phasing out oil and gas in favour of heat pumps, energy efficiency improvements and increasing the percentage of renewable energy. Changing behaviour is also an important factor in the transition. In 2025 Pandox reduced CO_2 emissions by 31 percent, largely due to the fact that all properties now hold green certificates and that the programme has begun to show results.

The Leases segment (Scope 3) also has an action plan that includes phasing out oil and gas, energy efficiency improvements and increasing the percentage of renewable energy. It also includes circular principles in renovation, for example through sustainable material choices and less waste. Three pilot projects were approved by Pandox's Board of Directors in 2025 as part of the action plan, and internal learning as well as further projects are up for discussion. Together with our tenants, we are constantly looking for new ways to collaborate that can reduce the climate footprint.

Read more about the climate targets and transition plan in the sustainability report on pages 106–108.

HOW WE'LL GET THERE

LEASES –25 PERCENT CO_2 BY 2030

- Energy efficiency improvements
- Phase out gas
- Renewable energy
- Sustainable material choices and reuse during renovations

OWN OPERATIONS –42 PERCENT CO_2 BY 2030

–22%
Phase out gas in favour of heat pumps

–7%
– Automation
– AI solutions

–15%
Behavioural changes among guests and employees

Responsible and fair business

PURPOSE

Pandox is to be a long-term and reliable partner, and acting responsibly and professionally in all business relationships is a top priority. We are to ensure good business ethics and fair and just conditions throughout our value chain.

OUR PRIORITIES

- Compliance with Anti-Corruption Policy through training
- Knowledge of Code of Conduct for Employees
- Channel for whistleblowing and HR matters
- Supplier audits

OUR TARGETS AND PERFORMANCE

	Target	Outcome 2025
Corruption or bribery, number of incidents	0	1
Training in the Code of Conduct	100%	79%
Supplier audits	100%	100%

79%

employees completed Code of Conduct training

3

incidents reported through the whistleblower system

HOW WE'RE WORKING ON THIS

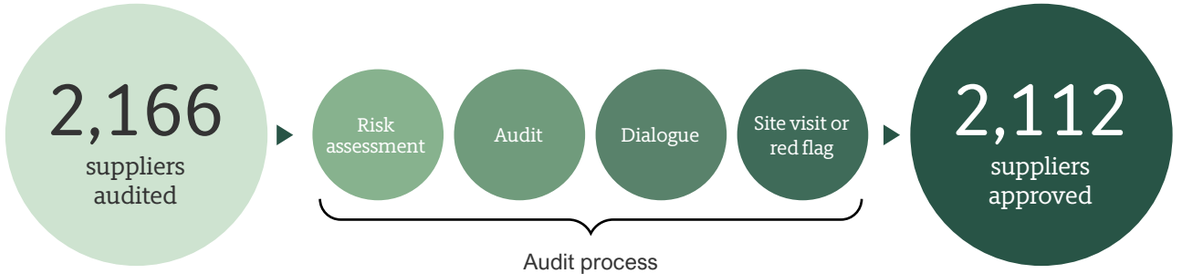
Pandox aims to always be a long-term and reliable partner that attaches great value to acting responsibly and professionally. The main topics are anti-corruption, codes of conduct and supplier audits.

Training in the Code of Conduct and business ethics
Pandox's Code of Conduct applies to all employees and clearly describes the expectations of how each individual is to behave to create a respectful and positive work environment for everyone. Digital training is given to all new hires and is also completed by all employees every three years. By the end of the year 79 (71) percent of employees had completed the training.

Dialogue and whistleblowing
Pandox has a clear process for grievances and more serious incidents as well as a whistleblower system managed by an external party, where employees and external stakeholders can anonymously report matters such as misconduct and breaches of policies and laws. In 2025 three whistleblower cases were reported. All the cases have been investigated and closed in accordance with Pandox's internal processes and procedures for management of whistleblower reports.

Effective supplier audit process
All new suppliers with contracts above a certain amount are audited using an external tool. A risk assessment is carried out based on parameters such as industry, country and size of annual purchases. During the audit period September 2024 to August 2025 a total of 2,166 suppliers were audited in the system, of which 2,112 were approved. Of the unapproved suppliers, 47 are still under review. Four more are red-flagged and thus not allowed to be used, while two have had site visits and are implementing action plans.

Supplier audit process



REAL-LIFE EXAMPLES

Focus on human rights

We work to identify and manage human rights risks throughout the business and the supply chain. In 2025 this involved expanding our risk assessments and supplier audits, analysing pay gaps, facilitating grievance reporting, and improving health and safety for people in vulnerable roles through new initiatives such as a 24/7 mental health helpline. We also continued our efforts to increase awareness of human trafficking through training for employees in key operational roles who could be exposed to this.

Site visits for supplier audits

If necessary, a visit is made to the supplier's site to assess compliance with the requirements in Pandox's Code of Conduct. Such visits have mainly been carried out at construction projects and includeded both a walk-through and inspection of the physical work environmentas well as interviews. Inspections cover everything from environmental topics and waste management to safety and procedures in the event of an accident. In 2025 three site visits were made in respect of two suppliers. Deviations resulted in action plans and subsequent return visits to ensure that action has been taken.

Attractive and equal workplace

PURPOSE

We are responsible for ensuring that our employees have a safe work environment with fair and just employment terms, as well as plenty of development opportunities.

OUR PRIORITIES

- Gender equality
- Locally adapted targets for socially marginalised groups
- Performance and career development reviews for all employees
- Greater diversity and inclusion

OUR TARGETS AND PERFORMANCE

	Target	Outcome 2025
Percentage with the same gender identity (women/men)	max. 60%	51/49%
Percentage who feel included	100%	78%
SMG targets	100%	91%

HOW WE'RE WORKING ON THIS

Employees must be offered a safe and secure work environment with fair and just employment terms, as well as plenty of development opportunities. The most important topics for us are gender equality, diversity and inclusion.

Gender equality and inclusion

In 2025 Pandox continued to improve equality and inclusion at the hotels it operates through structured programmes and local initiatives. The majority of the hotels (91 percent) have set targets for recruitment from socially marginalised groups, with 86 percent of these having achieved their recruitment targets.

Employee survey

Engagement and inclusion remained key focus areas during the year. The employee survey among hotel staff in the Own Operations segment showed that 78 (82) percent feel included in the workplace. The employee net promoter score (eNPS) was 66 (60) in Own Operations. At the head office the result was very strong at 95 (87) percent. The results confirm a high level of engagement and belonging in the organisation, while also demonstrating the need for efforts to further improve the inclusion of underrepresented groups.

51/49%
gender breakdown, female/male

78%
feel included

Training and workshops

Pandox conducted workshops at the hotels during the year. Activities included a digital workshop on inclusive recruitment methods for HR teams, to update and coordinate how our inclusive recruitment procedures are implemented. In the UK, sustainability meetings were held each quarter to discuss topics such as waste reduction, diversity and inclusion. Technical teams in Belgium and the UK received training in energy optimisation. In Germany, Hotel Berlin Berlin and Radisson Blu Dortmund organised training in unconscious bias for new recruits. The average number of hours of training was 8 (10) hours.

REAL-LIFE EXAMPLES

Recruitment that helps build the culture

In Belgium, Pandox has a partnership with Diversicom that has fundamentally changed the way we recruit and support people who, for various reasons, face barriers to employment. In a variety of projects we have enabled people who have either physical or other limitations to become part of a team at Pandox. In 2025 some 20 people were employed in Germany, Belgium and England in areas such as maintenance, administration or food and beverage. The recruitments have been important for all parties and have helped the teams develop and build a committed and inclusive culture.

Internship provided new insights

During the year some 30 internships were offered to individuals who need extra support for finding a job. In collaboration with the organisation Inklupreneur, Klara – who lives with MPS (mucopolysaccharidosis) and uses a wheelchair – joined Radisson Blu Bremen for a three-month internship. Klara's presence made both the hotel's team and its guests more aware of what an inclusive approach can mean in practice, from adapting the layout at reception to communicating in the right way. These insights have also enabled the hotel to make practical changes in its day-to-day operations to improve accessibility.

Guest and tenant satisfaction and safety

PURPOSE

Within Own Operations the most important thing is that our hotel guests have a positive experience – before, during and after a stay. At the same time, we strive to ensure that our tenants are satisfied with our business relationship and feel confident about how we manage their data.

OUR PRIORITIES

- Good relations with tenants
- Cybersecurity
- Satisfied guests (aiming beyond the threshold between satisfied and loyal)

OUR TARGETS AND PERFORMANCE

	Target	Outcome 2025
Guest satisfaction	80%	85%
Tenant satisfaction (NPS)	–[1]	21

[1] A target for tenant satisfaction is in the process of being established.

HOW WE'RE WORKING ON THIS

Having satisfied hotel guests is the core focus of the hotels we operate ourselves. How people are greeted, service quality and security are important topics in this respect. We also focus on creating good relationships with our tenants in the Leases segment, so that they feel confident about working with us.

Increased guest satisfaction

Guest occupancy in Own Operations increased to 71 (69) percent in 2025. At the same time, guest satisfaction increased to 85 (84) percent according to our annual guest analysis conducted externally. The objective is for at least 80 percent of the guests to be willing to recommend the hotel to others. Alongside this, we want our tenants to always be satisfied and happy with our partnership.

85%

guest satisfaction

REAL-LIFE EXAMPLES

Guests are always the focal point

Safeguarding our guests' health and safety, as well as their privacy and data security, are key topics at all our hotels. We work proactively with both employees and technical solutions to strengthen cybersecurity. Each hotel in the Own Operations segment has a designated data protection officer.

Inclusive local communities

PURPOSE

Through our properties we have a presence in local communities. We want to be a positive force in these environments.

OUR PRIORITIES

All hotels in Own Operations are to:

- have lighting at the entrance and surveillance cameras
- provide training in the prevention of prostitution and human trafficking
- support at least one charity project

OUR TARGETS AND PERFORMANCE

	Target	Outcome 2025
Prostitution/trafficking, number of incidents	0	0

91%

percentage of hotels in Own Operations that support local initiatives

HOW WE'RE WORKING ON THIS

Hotels create jobs, a place to stay overnight and experiences, but they also make a positive contribution to community development. The main topics we focus on are security in the local area and community engagement.

Working together and safety

Pandox wants to help create vibrant, inclusive and safe local communities. By working closely with the local community and employing people who live in the area as well as local businesses, hotels can also make a positive contribution to social sustainability. 75 (54) percent of Pandox employees live within a 10 kilometre radius of the hotel where they work, and 9 (9) percent of the employees live in socioeconomically vulnerable areas.

Safety is an important element in our business operations. We work to ensure that our hotels are free from prostitution and human trafficking, and no incidents were reported in 2025. Internal training is given and cooperation with local police authorities takes place with a view to preventing any occurrence. More employees who come into direct contact with guests were trained during the year in identifying, reporting and following up on suspicious situations.

In addition, safety in the surrounding area is created through façade lighting and surveillance cameras. In 2025 a total of 99 percent of the hotels in Own Operations had surveillance cameras at the entrance and 91 percent had façade lighting.

REAL-LIFE EXAMPLES

Many local initiatives

One of our goals is for all the hotels that we operate, as well as the head office, to support at least one local project each, which 91 percent of Own Operations achieved in 2025. The projects included initiatives to support socially vulnerable young people and to distribute leftover food to those in need.

An ecosystem based on partnerships and relationships

ELITE HOTEL FROST KIRUNA

The Pandox ecosystem

Robust and profitable business model

We are an active and engaged owner of hotel properties. Our value-creation is based on long-term leases with skilled hotel operators, ongoing property development and portfolio optimisation.

Leases

Property management is at the heart of our business. Our business model is built on revenue-based, long-term leases with good guaranteed minimum rent levels and joint incentives. The tenants are skilled hotel operators who run hotels under various brands.

We have individual business plans for each hotel property and we evaluate the hotel's potential on an ongoing basis, as well as its commercial and technical status.

Operating hotels ourselves is an important tool when acquiring and repositioning hotel properties with a view to signing a new lease.

KEY ISSUES

- How should the hotel be operated?
- Which is the best business partner?
- What type of lease should it be?
- How can we elevate the hotel product?
- What about brand and distribution?

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.

We have a close dialogue with each tenant to discuss 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 extension of existing hotel properties.

Through a combination of knowledge, experience and curiosity, Pandox challenges and inspires its tenants to identify new business and investment opportunities.

- Is the hotel correctly positioned?
- Which investments need to be made?
- What is the return on the investment?
- How should risk and return be shared?

Portfolio optimisation

We evaluate the property portfolio on an ongoing basis to ensure that each hotel property has attractive yield potential.

Pandox has an active acquisition strategy based on industry know-how, a long-term perspective and the ability to act freely throughout the hotel value chain.

Pandox's opportunities for value creation through acquisitions increase when the object to be acquired is underperforming or where the transaction is highly complex.

Divestments are important to free up capital for investments with a higher yield potential.

- Why are we making the acquisition?
- How can we create value?
- Has the hotel reached its full potential?
- Are there other investment options?

Sustainability

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

Sustainability is integrated into our business model and into our day-to-day work. We are working on five focus areas:

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

- Reduced climate footprint
- Good business ethics
- Secure work environment where people can develop
- Positive guest experience
- Development of the local community

Value creation through active and engaged ownership

Our resources

Hotel properties
- 193 hotel properties with around 43,000 rooms

Employees
- 1,494 employees (FTEs), of which 1,445 in the Own Operations segment

Networks
- Business partners and brands
- Hotel guests
- Suppliers and advisors

Financing
- Capital from shareholders MSEK 33,729
- Loans from banks and other lenders MSEK 48,235

Structural capital
- The Pandox Method of value creation at hotels

Natural resources and materials
- Energy, water, building materials, fixtures, fittings and installations

Our business model

- We own, develop and lease out hotel properties to skilled hotel operators
- Our leases are long-term and revenue-based, and have good minimum rent levels and shared risk
- We have deep knowledge of the hotel industry and we develop the hotel properties in cooperation with our tenants
- We are an active and engaged owner with the capacity to operate and reposition hotels ready to then sign new leases
- Our sustainability work has a long-term perspective and is integrated into our business operations

Our value creation

Tenants & hotel guests
- Rental income MSEK 4,098
- Revenue from guests at hotels operated by Pandox MSEK 3,371
- Investments MSEK 1,084

Employees
- Salaries and benefits MSEK 1,189
- Attractive and equal workplace
- Social cohesion and personal development

Society & environment
- Direct and indirect jobs
- Environments for meetings and recreation
- Vibrant local communities
- Working to reduce energy consumption and GHG emissions
- Taxes and levies

Capital owners
- Interest and fees MSEK 1,566
- Dividend MSEK 876

Suppliers
- Payments MSEK 4,217

Emissions in the value chain

SCOPE 3 UPSTREAM[1)]

37%
Purchases of goods and services

Suppliers

SCOPE 1

8%
Direct emissions

SCOPE 2

1%
Indirect emissions, purchased energy

Own Operations

SCOPE 3 DOWNSTREAM

51%
Energy use in leased properties

Leases | Tenants

[1)] Only shows the largest categories; other categories add up to 3 percent.

Leases are the core of our business

Leases create joint incentives for Pandox and tenants to develop profitable hotel products that increase cash flow and thereby also the property value.

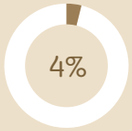
LEASES

SHARE OF ROOMS

87%

REVENUE-BASED

FIXED



With minimum rent level Without minimum rent level

Function and advantages

Revenue-based leases have multiple advantages:

- Long-term perspective
- Joint incentives
- Shared investments and risk
- Focus on productivity and profitability

These leases are directly linked to the performance of the hotel, with Pandox collecting a portion of the hotel's sales revenue as rent. The rental income increases as the hotel's sales grow. The hotel property owner and hotel operator thus share the risk and they also have joint incentives to improve the hotel's profitability and, over time, also raise its value. In most of our leases there are also contractual minimum rent levels below which the rental income cannot fall. These cover the cost of capital for financing the properties. In addition to revenue-based leases we also have a few fixed leases.

Strong interest in leases

The increased specialisation in the hotel market, where the operating model for growing regional hotel operators is to lease, has increased interest in leasing. In addition, experience from the pandemic has further strengthened the argument for revenue-based leases as a sustainable and flexible type of lease.

Green addendums

During the year Pandox added two green addendums in conjunction with renegotiation of leases. The addendums create a shared and structured basis for Pandox and the tenants to maintain an environmental focus. In these addendums the focus has been on data collection and information-sharing relating to energy data, obtaining certification and the need for building management systems.

OWN OPERATIONS

SHARE OF ROOMS

13%

FRANCHISE AGREEMENTS

MANAGEMENT AGREEMENTS

INDEPENDENT BRAND

Function and advantages

Operating hotels ourselves is a key aspect of Pandox's active and engaged ownership strategy. It enables the implementation of several types of acquisition and an efficient transformation of hotels with the aim of signing new leases. The Own Operations business segment can be structured in different ways depending on the market and business model.

Franchise agreement

When we own both the hotel property and the hotel business, a franchise agreement with a brand owner may be appropriate. This model gives us access to the franchiser's strong brand and extensive distribution channels, which can increase the hotel's visibility and profitability. As a franchisee Pandox pays a royalty charge based on the hotel's sales. Examples of hotels in our portfolio using this model are Hilton Brussels Grand Place and Hotel Indigo Brussels – City.

Independent brand

In markets where international brands have a low recognition factor or where the cost of the brand and distribution are too high, it may be more beneficial to develop our own independent brand. This gives us greater flexibility and enables adaptation to local market needs. One example of this in our portfolio is Hotel Berlin, Berlin, a brand that we have created ourselves.

Management agreement

With a management agreement, Pandox assigns a hotel operator to operate and manage the hotel on Pandox's behalf. Pandox pays a management fee for this, which is often performance-based. The management agreement also requires a brand, which is usually franchised. A management agreement involves us, as the hotel property owner, having full financial responsibility for both the hotel's operation and the hotel property. A few examples in our portfolio are Residence Inn by Marriott, DoubleTree by Hilton Bath, The Queens Hotel in Leeds and Novotel Hannover.

Acquisition of Dalata Hotel Group

On 15 July 2025 Pandox and Eiendomsspar made a joint offer for Dalata Hotel Group, Ireland's largest hotel operator. The acquisition was completed on 7 November 2025 and expands Pandox's portfolio by 31 hotel properties in the UK and Ireland.

The acquisition of Dalata consolidates our position as the leading hotel property owner in Europe. It reflects our ability to carry out complex and value-generating transactions in international markets in cooperation with strong partners. The acquired hotel properties are of high quality, belong to the profitable upper-mid price segment and make an immediate and significant contribution to the Company's earnings. This acquisition expands our market presence in the UK and Ireland, which are large and dynamic hotel markets. We are also laying the foundation for further value creation in the longer term.

"We are consolidating our position as the leading hotel property owner in Europe."

EFFECTS OF THE ACQUISITION[1)]

- Measured on an annualised basis, rental income is expected to increase by the equivalent of around MSEK 1,145, with profitability in line with Pandox's existing leases in the UK and Ireland
- On an annualised basis, net operating income is expected to increase by MSEK 1,115 and cash earnings by around MSEK 430
- Pandox's loan-to-value ratio will increase to 52.7 percent[2)], to be compared with a range of 45–60 percent for this ratio in Pandox's Financial Policy.

Number of hotel properties

162→193

Portfolio value, SEK billions

76→92

[1)] Based on the market value of hotel properties as of 31 December 2025.
[2)] Excluding liabilities held for sale relating to Dalata Hotel Group plc's operating platform (see Note 9), and including non-controlling interests (Eiendomspar's ownership interest in Bidco).

CLAYTON HOTEL
CHISWICK

BRIEF FACTS ABOUT DALATA

Founded in 2007, Dalata Hotel Group is the largest independent four-star hotel operator in the UK and Ireland. The portfolio consists of 56 hotels, 31 of which are owned by the company, primarily operated under the Clayton and Maldron brands. For the financial year ending on 31 December 2024, Dalata reported sales of MEUR 652. Until 7 November 2025 the company's share was listed on Euronext Dublin (DHG) and on the London Stock Exchange (DAL).

Reasons for the acquisition

1 Strategically correct

The acquisition is fully in line with Pandox's long-term strategy and will make an immediate positive contribution to earnings and net asset value. The integration of Dalata's hotel properties will strengthen our position as Europe's leading hotel property owner. The transaction also shows our ability to do complex and value-generating business in international markets in cooperation with strong partners.

2 High-quality portfolio

The acquired portfolio contains 32 high-quality, full-service hotels (including an ongoing conversion of an office building into a hotel in Edinburgh) in the upper price segment with a total of 6,626 rooms and very high guest ratings across the board. The hotels maintain a technical and sustainability standard that complements and raises the quality of our existing portfolio.

3 Strong position in important markets

The acquisition strengthens Pandox's market presence in both Ireland and the UK, which make up one of the largest and most dynamic hotel markets in Europe. The hotels are strategically located close to important transport hubs, business centres and attractive leisure destinations. Demand is driven by both international and domestic travel, and the portfolio is a good fit with Pandox's existing geographic and segment structure.

4 Good returns

On an annualised basis, rental income is expected to increase by MSEK 1,145, net operating income by MSEK 1,115 and cash earnings by MSEK 430. In 2025 the result of the acquisition we reported was a gain of MSEK 1,598, including expected transaction costs of around MSEK –340, from the sale of Dalata's hotel operations to Scandic. This, combined with expected deferred tax of MSEK 1,847 means that the Dalata acquisition will contribute MSEK 3,445 to EPRA NRV, equivalent to SEK 17.70 per share.

5 Scandic as a partner

The acquisition of Dalata was carried out by a consortium consisting of Pandox AB (publ) and Eiendomsspar AS (91.2 and 8.8 percent respectively).

It involved all of Dalata's operations. After Dalata's business has been split into a hotel ownership segment and a hotel operations segment, Pandox will retain 31 investment properties in Ireland and the UK while Scandic will acquire the operating platform with 56 hotel operations.

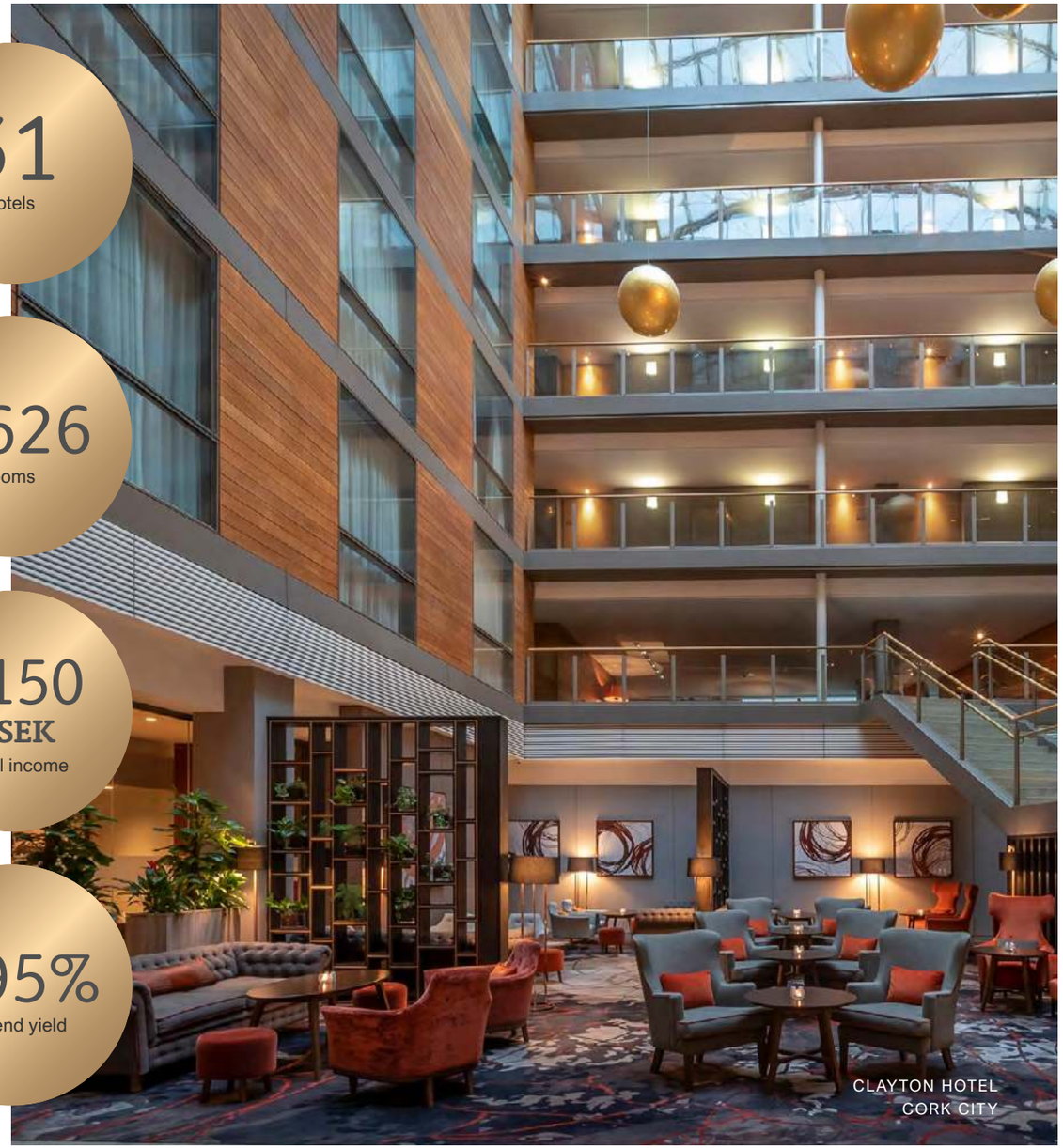
During this phase, which will take place in 2026, Scandic will be responsible for operating all 56 Dalata hotels under management agreements. The 31 investment properties among these will be operated by Scandic under long-term revenue-based leases with guaranteed minimum rent levels and shared investments, which is the core of our business model. The ratio of minimum to total rent is initially around 70 percent.

31
hotels

6,626
rooms

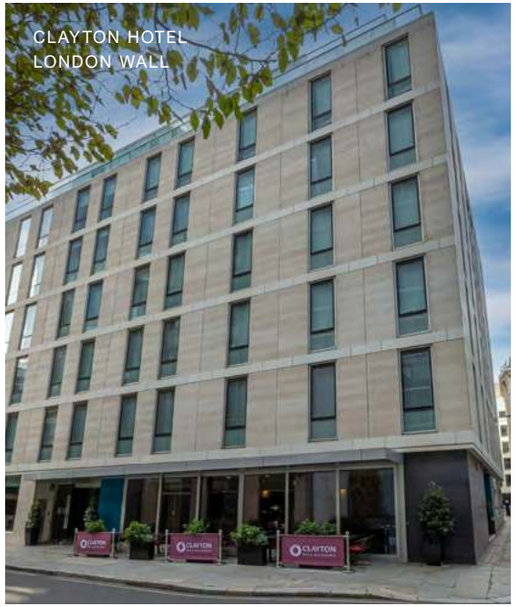
1,150 MSEK
Rental income

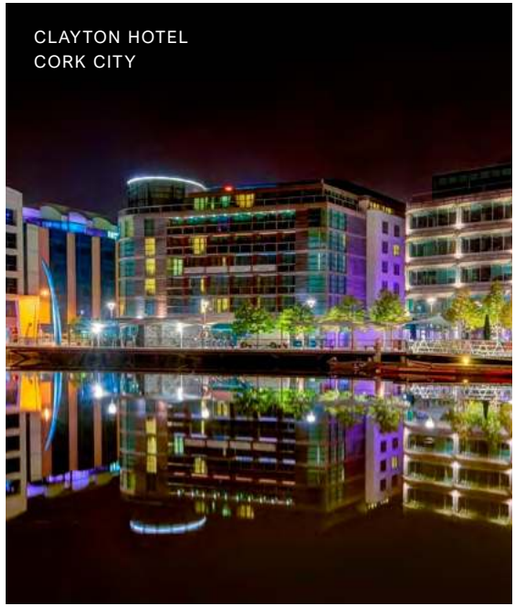
6.95%
dividend yield



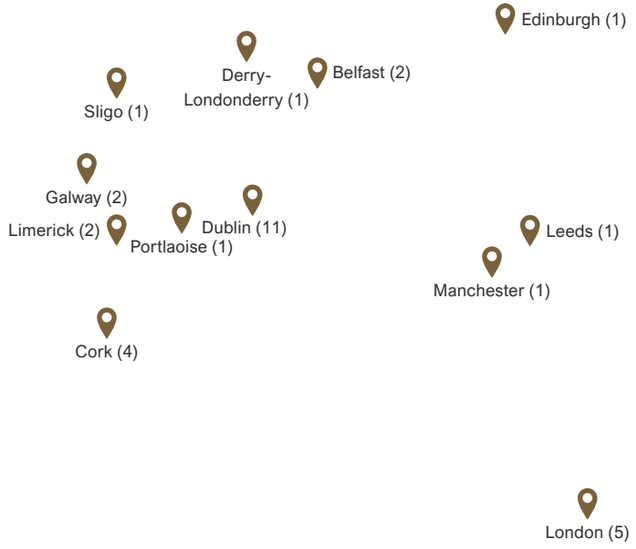
CLAYTON HOTEL
CORK CITY

The hotel properties

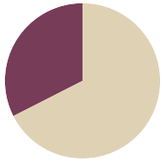




Dalata's hotel properties

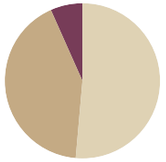


By country



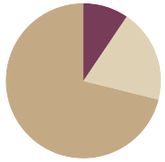
- UK
- Ireland

Demand



- International
- Domestic
- Regional

Location



- Airport
- Ring road
- City centre

In focus: Ireland

Following the acquisition of Dalata, Ireland is Pandox's fourth largest market in terms of portfolio value. We now have 24 hotels on the Emerald Isle that lies on the western edge of Europe, with a property value of close to SEK 13 billion.

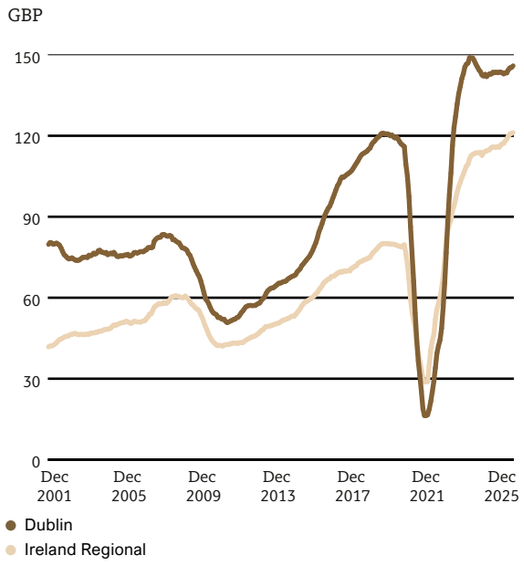
With a population of around 5.3 million, Ireland is an attractive destination for international travellers, while domestic travel is also strong. Dublin, the country's largest city and financial hub, is driving the hotel market's development and is the most central location for investments and new hotels.

The country has a total of around 76,000 hotel rooms, divided between close to 1,200 hotel properties. Over the past 12 months the supply has steadily increased, albeit at a slightly slower pace than in the past, with the addition of around 670 new rooms. Ireland is a mature and well-developed hotel market with a mix of strong domestic and international brands as well as a wide range of independent actors. Forecasts indicate continued stable growth, especially in Dublin, with good development in both demand and capacity. This signals a strong investment appetite and long-term confidence in the market.

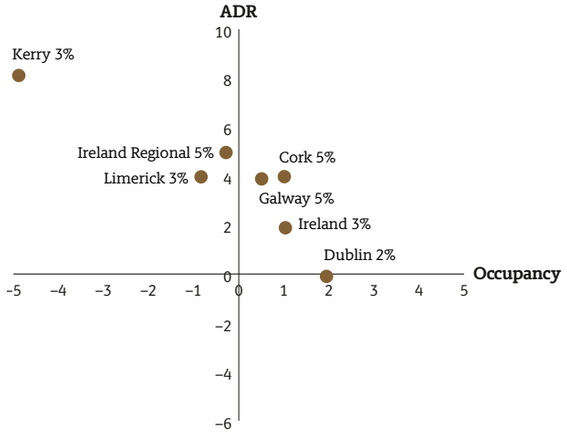
Dublin accounts for almost 40 percent of the total hotel room supply in Ireland and is the most dynamic submarket with a high concentration of new projects and investments. The city also has one of the highest occupancy levels in Europe and has among the highest share of compression nights – nights when occupancy is higher than 90 percent, for example in connection with a large event. This enhances a hotel's ability to raise its average room rates. Dublin and cities like Cork are also home to the head offices and production facilities of multiple international corporations – many from the US – active in areas such as pharmaceuticals, biotech and tech. Benefits such as competitive corporate tax rates, access to a skilled workforce and EU membership all contribute to stable business travel demand.

Cork, Galway and Limerick are the largest regional cities outside Dublin and play an important role in both industry and tourism. These markets all have stable demand and relatively steady occupancy, which helps to spread economic activity and hotel business beyond the capital city area. Together they complement and balance out Dublin's dominant market position.

RevPAR (revenue per available room) 12 months rolling



RevPAR development 2025, selected cities (compared with 2024)



Average daily room rate (ADR) is shown on the vertical axis and occupancy (OCC) on the horizontal axis. Origo is the point corresponding to 2024 for both ADR and OCC. The change in RevPAR, compared with 2024, is stated after the name of the city.

FAST FACTS: IRELAND

Population: 5.3 million

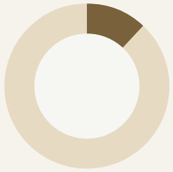
GDP: USD 577 billion (2024)

Number of guest nights: 33 million

International arrivals: 11.2 million, of which 6.2 million in Dublin

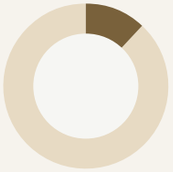
FAST FACTS: PANDOX IN IRELAND

Number of hotels



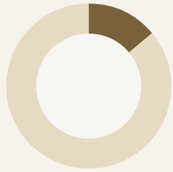
24 hotels
12% of the total 193 hotels

Number of rooms



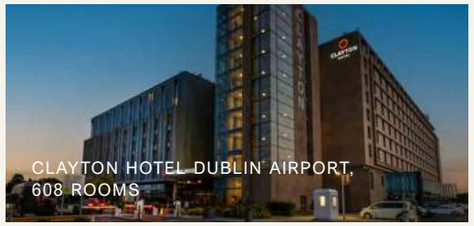
4,996 rooms
12% of the total 43,000 rooms

Market value



MSEK 12,824
14% of total MSEK 91,743

Our largest hotel in Ireland



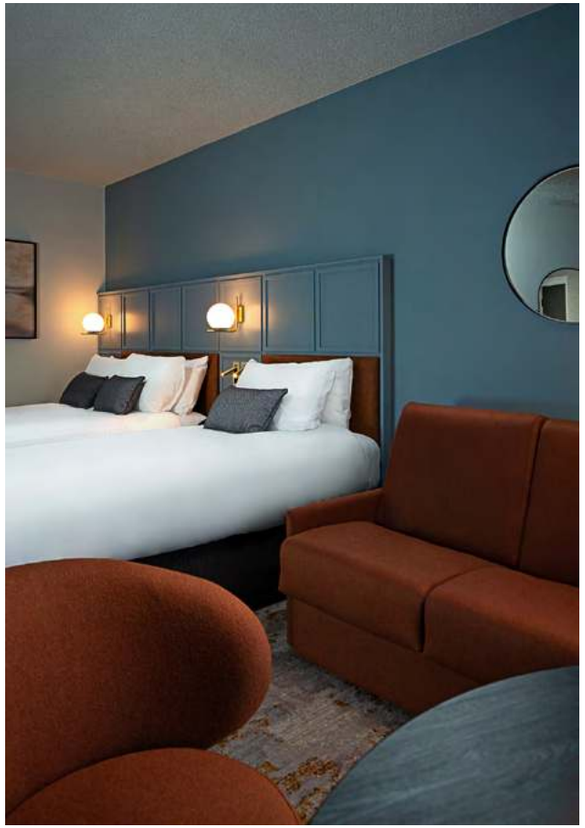
Ireland has the youngest population in the EU with an average age of

39

Value-creation in reality

In recent years two Pandox hotels have been given new life thanks to extensive renovation: Leonardo Hotel Galway on Ireland's west coast and Scandic Park in central Stockholm. With upgraded rooms, modern public areas and refined guest concepts, both hotels have strengthened their position in their markets. The result? Higher revenue, good return on investments and increased property values.

Leonardo Hotel Galway



The newly renovated Leonardo Hotel Galway in central Galway has 130 rooms. Overlooking Galway Bay, it offers a warm Irish hospitality guest experience.

To maximise the hotel's potential, Pandox and its tenant Fattal carried out a major renovation of the hotel product that included all rooms, bathrooms and public areas. The brand was also upgraded from Jurys Inn to Leonardo.

With around 85,000 residents, Galway is Ireland's fifth largest city. It is also a very popular tourist destination that every year welcomes around 1 million domestic tourists and 1.7 million international visitors, many of whom are from North America and have family ties in Ireland.

TARGETS AND RESULTS – RENOVATION

	Goal	Stabilised outcome
RevPAR	+13%	+27%
ROI	+12%	+22%
Investment	MEUR 3.9	MEUR 4.2 (of which Pandox share around MEUR 2.7)
Property value		+12%

Scandic Park Stockholm

Scandic Park, which has 213 rooms and is located in central Stockholm, has undergone the largest modernisation in the hotel's history. Every part of the hotel has been upgraded, with a design brief to reference its early 1970s origins.

It was renovated in stages, the first including all rooms and the addition of nine new rooms in 2020. The last stage of the renovation, completed in September 2022, focused on all of the public areas such as the lobby, reception, bar and restaurant. A brand new gym was also added alongside the lobby.

TARGETS AND RESULTS – RENOVATION

	Goal	Stabilised outcome
RevPAR	+5%	+23%
ROI	+17%	+42%
Investment	MSEK 34	MSEK 38 (of which Pandox share around MEUR 20)
Property value		+20%

VALUE CREATION

Windowless rooms open up new opportunities

PANDOX STORIES

When darkness becomes an asset

With a changing environment in the hotel industry, a new phenomenon has emerged: cabin rooms, or windowless rooms. What began as a niche concept in Japan has since become an established feature of the hotel market in several countries. For Pandox, cabin rooms are more than just a trend; they are a way to create value, use space more efficiently and at the same time meet guests' changing needs.

From capsule to cabin room

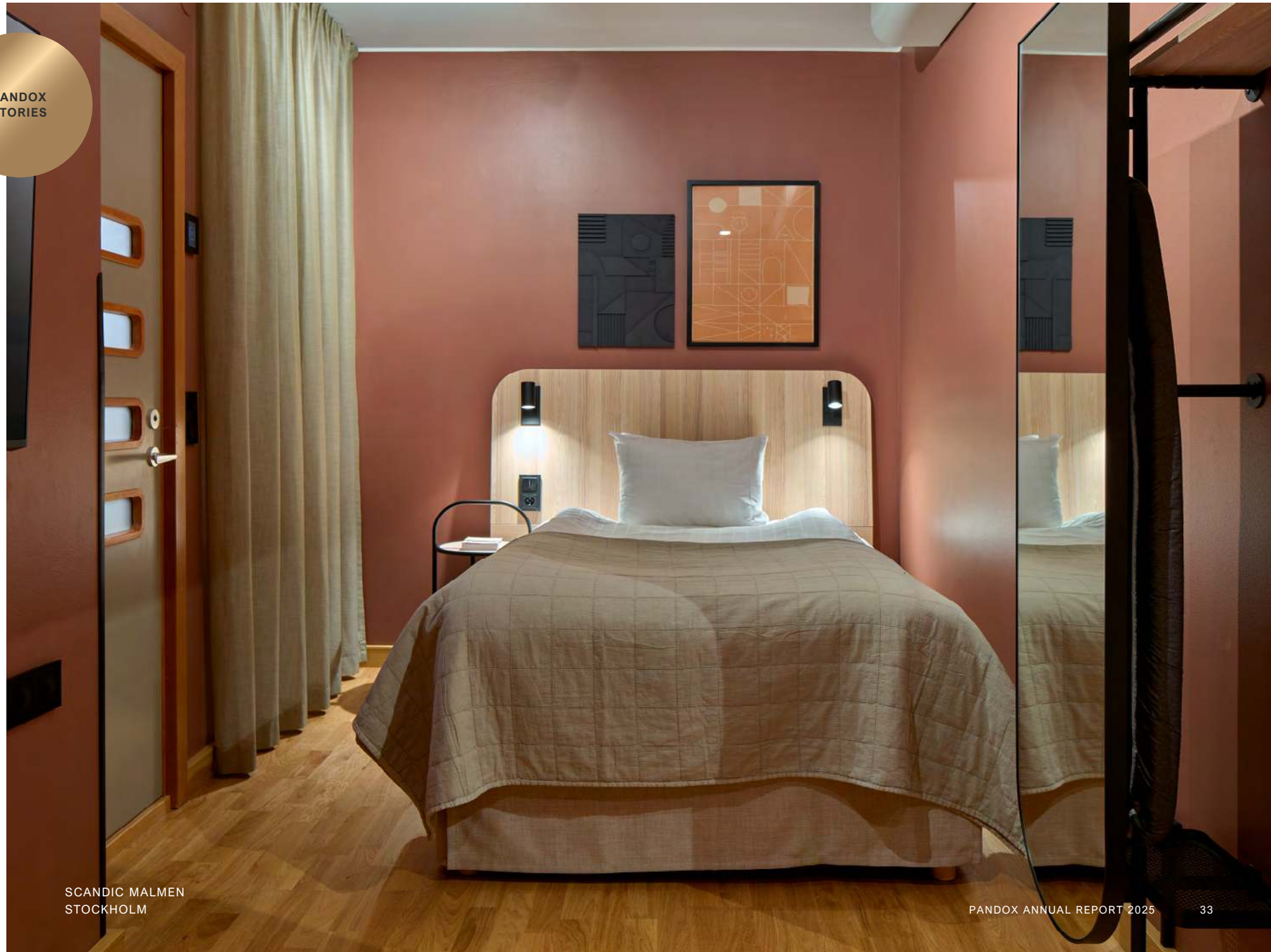
Cabin rooms have their roots in the famous capsule hotels in Japan. The first one opened in Osaka in 1979 and quickly became a symbol of a new, minimalist way of travelling. Guests were offered small capsules – often no larger than the bed itself – at an affordable price. The focus was on the most essential thing: a place to sleep.

Since then the phenomenon has spread, but has evolved in different directions. Today, cabin rooms are found in more traditional hotel settings in the form of full-sized rooms with all the amenities but without windows. The background to this trend is the same as for capsule hotels: rising land prices, urbanisation and a growing demand for budget options. But it is also about a new perspective on what are considered valuable attributes in a hotel room.

Darkness, silence and better sleep

Today, many travellers choose cabin rooms not only for the price but also for the experience. A dark, soundproof room can provide a significantly improved sleep environment compared to a room overlooking a busy street. Pandox is seeing clear growth in demand for this type of room. Guests appreciate an environment where they can fully relax without disturbing light or noise from outside.

For the business traveller, a cabin room offers a place to recharge between intensive days. For the city traveller, it provides



SCANDIC MALMEN
STOCKHOLM

the opportunity to stay in a central location at a more affordable price. All in all, this concept creates greater accessibility for hotel guests.

Regulations and trends in different countries

The development of this phenomenon largely depends on local regulations. In Sweden, cabin rooms are permitted and there is also a clear increase in the concept here. In the United Kingdom, cabin rooms may be approved in certain cases, particularly when used as cabin-like or budget rooms. However, this requires proper management of important aspects such as ventilation, fire safety and guest comfort. Since local authorities may interpret regulations differently, it is often necessary to involve an architect or building consultant early in the planning phase.

In other countries, such as Norway, Belgium and the Netherlands, windowless rooms are not permitted due to strict building codes for ventilation and emergency exits. In Finland, the concept was banned in 2015, but since 2025 cabin rooms have been allowed again, opening up new opportunities in the Finnish market.

Development in this area thus differs from country to country. In some cities, cabin rooms are seen as a necessary innovation to meet increased pressure on hotel capacity, while in other countries the concept remains unutilised. For Pandox, this means that the strategy must always be adapted to local conditions – but also that the potential is considerable where regulations allow cabin rooms. At present, Pandox only has cabin rooms in the Swedish market.

Spaces that create value

From a property owner's perspective, cabin rooms are a smart investment. Spaces that previously generated no revenue – such as linen closets, basements or old banquet halls – can, with relatively modest means, be converted into fully functional, revenue-generating hotel rooms.

One example is the renovation of Quality Hotel in Södertälje where two floors that once housed banquet halls were converted into 20 new cabin rooms. The hotel's restaurant was developed at the same time to accommodate the increased number of guests.

At Scandic Malmen in Stockholm, Pandox has invested in building 25 cabin rooms on floors –1 and –2. These rooms have become an attractive option for guests who value a central location, reasonable prices and good sleep quality in the otherwise lively neighbourhood around Medborgarplatsen.

At Quality Hotel Luleå renovations are also under way to create 30 new cabin rooms on floor –2 in the space that previously housed a nightclub. By converting areas that had no revenue potential in the past, the hotel now has an addition that will increase value directly – an investment that over time will generate multi-million amounts in value growth.

Cabin rooms create value for both guests and property owners

For Pandox, cabin rooms are part of a larger journey towards smarter and more sustainable hotel properties. By making use of existing spaces, unnecessary new construction can be avoided while profitability and property value can be increased. Guest needs are at the same time being met in new ways. In an era when travel is more diversified than ever – from business travellers to weekend visitors and event guests – flexibility is key.

"At Pandox we are constantly looking for ways to invest in and develop our properties together with our tenants. Cabin rooms are a clear example of how innovation can be created by rethinking the use of existing hotel space. By transforming areas that would otherwise generate no revenue, we are creating both economic value and a more sustainable hotel product, while at the same time offering guests enhanced comfort with darkness and quiet to promote better sleep. It's a win-win for us, our tenants and above all the guests – and something we will continue to develop going forward."

TOBIAS EKMAN
SVP, Director of Asset Management Nordics

CABIN ROOMS IN DIFFERENT COUNTRIES

Sweden	Yes
UK	Cabin rooms may be approved in certain cases. However, this requires proper management of factors such as ventilation, fire safety and guest comfort. Local authorities may interpret the regulations differently.
Norway	No
Belgium	No
Netherlands	No
Germany	No
Denmark	No
Ireland	No, rooms need some form of daylight.
Finland	Prohibited between 2015 and 2025, but now allowed again.

EXAMPLES OF PANDOX HOTELS OFFERING CABIN ROOMS

Scandic Go Sankt Eriksgatan 20
Around 100 cabin rooms

Scandic Malmen
25 cabin rooms

Quality Hotel Luleå
Ongoing renovation, 27 new cabin rooms

Scandic Luleå
Ongoing renovation, 3–4 new cabin rooms

Quality Hotel Park Södertälje
20 cabin rooms

Scandic St Jörgen Malmö
26 new cabin rooms planned

THE HOTEL
BRUSSELS

HOTELISM BY PANDOX

Operations

Our core business is to own, develop and lease out hotel properties to skilled hotel operators. We may also operate hotels ourselves, which reduces risk, creates new business opportunities and increases return potential.

36 Business segments
37 Leases
39 Own Operations
41 Partnerships and relationships

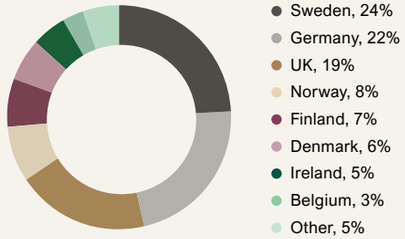
Good earnings development in both business segments

Both of Pandox's business segments performed well during the year, supported by a good hotel market, acquisitions made and increased profitability.

Leases

MARKET VALUE, PROPERTIES	MSEK 77,170
VALUATION YIELD	6.28%
REVENUE	MSEK 4,098
NET OPERATING INCOME	MSEK 3,579

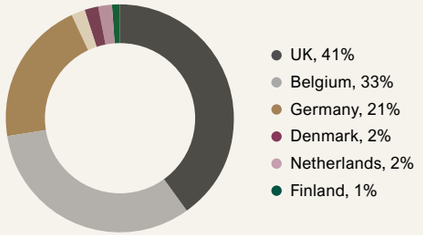
Revenue by country 2025



Own Operations

MARKET VALUE, PROPERTIES	MSEK 14,573
VALUATION YIELD	6.85%
REVENUE	MSEK 3,371
NET OPERATING INCOME	MSEK 971

Revenue by country 2025



Leases
Good development

The Leases business segment performed well during the year, supported by a good hotel market, particularly in Sweden, Denmark and Norway. Completed acquisitions, including that of Dalata Hotel Group plc, and investments in the existing portfolio made a positive contribution.

NET OPERATING INCOME, MSEK
3,579

THE YEAR IN BRIEF

Good growth in revenue and net operating income

Supported by a good hotel market, acquisitions made and good RevPAR development, rental income increased to MSEK 4,098 (3,865) and net operating income to MSEK 3,579 (3,297). For comparable units in fixed currency, both revenue and net operating income increased by 2 percent. The market value of the properties amounted to MSEK 77,170 (60,290) with an average valuation yield of 6.28 (6.13) percent. The weighted average unexpired lease term (WAULT) was 13.6 (14.4) years, excluding the leases with Scandic for the Dalata properties.

Revenue from the acquisition of Dalata Hotel Group plc (Dalata), which was completed on 7 November 2025, amounted to MSEK 146. In 2026 the acquisition is expected to contribute significantly to Pandox's revenue and earnings.

Investing for growth

We invested MSEK 619 (732) in our existing portfolio during the year. We have a large toolbox for generating value in the hotel properties where, together with our tenants, we develop the hotel products and increase profitability, which raises the value of the hotel properties.

Major investment projects completed in 2025 included Scandic Malmen, Scandic Alvik, Leonardo Royal Hotel Frankfurt and Leonardo Hotel Christchurch.

New hotel products in the pipeline

We have various new projects that will be completed in 2026, including Scandic Grand Marina, Quality Hotel Luleå and Scandic Solli. In addition, major investment projects are in underway in the acquired Dalata portfolio: conversion of an office building into a hotel in central Edinburgh, as well as an extension to provide 115 new rooms at Clayton Cardiff Lane in central Dublin.

Acquisitions in Tromsø and Kiruna

As well as the acquisition of Dalata with its 31 properties in Ireland and the UK, we also completed the acquisition of Radisson Blu Tromsø in Norway, Hotel Pullman Cologne in Germany and Elite Hotel Frost Kiruna in Sweden. All the hotel properties have good market positions in growing cities and regions.

ABOUT OUR BUSINESS MODEL

Well-known and skilled tenants

Pandox's tenants are skilled hotel operators with strong hotel brands.

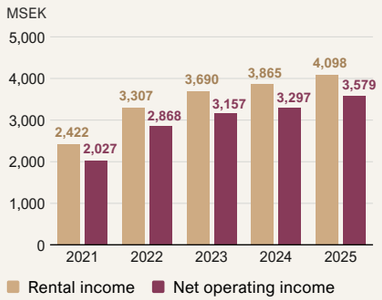
Leases with the right incentives

Most of the leases are revenue-based with a contractual minimum rent level. This makes it possible to achieve both increased income in an improved market as well as downside protection in a weaker market. Rental income consists of a portion of the hotel's sales:

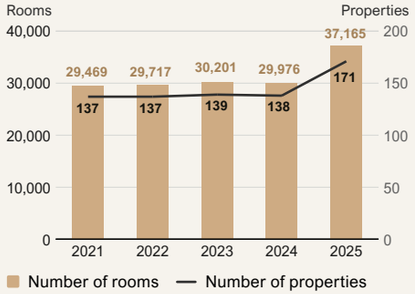
1 A higher percentage rent based on the operator's revenue from hotel rooms and conference spaces.
2 A lower percentage rent based on other operator revenue, mainly food and beverage, parking and spa services.

Revenue-based leases give both Pandox and the tenant a joint incentive to develop the hotel product while also generating good productivity and profitable growth. We work to identify suitable cash flow-increasing investments in the properties. Large joint investment projects normally involve an extension of a lease term and a possible adjustment of the percentage rent. New or renegotiated hotel leases usually have a term of 10–25 years.

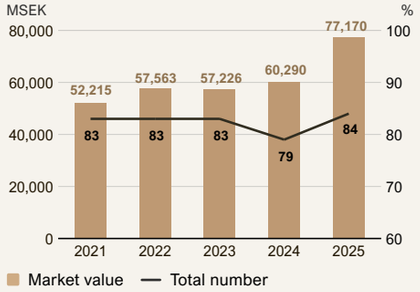
Rental income and net operating income



Number of rooms and properties



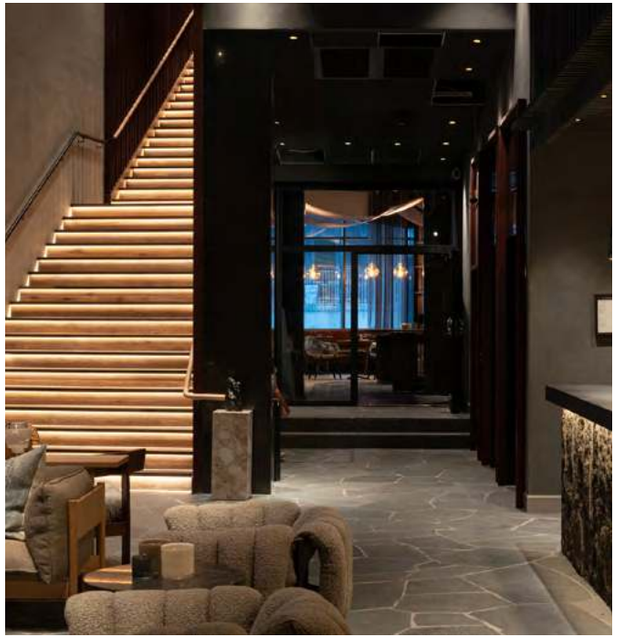
Market value and percentage of total portfolio



Shared investment reduces risk

Sharing investments and maintenance costs in hotel properties is different than for office properties, for example. The division of responsibility is regulated in a checklist. Hotel tenants in the Nordics are normally responsible for maintenance of the hotel rooms, restaurant, lobby and other public spaces, including furniture, fixtures and equipment, while the property owner is normally responsible for technical investments and installations in the property, technical maintenance and usually also reinvestment in bathrooms. In general the tenants' responsibility is greater outside the Nordic region.

Investments raise the standard of the hotel and make it more competitive, which means increased revenues and greater profitability for the hotel operator and thereby higher revenue-based rent for Pandox. Increased cash flows in turn lay the foundation for increased property value. The long-term nature of the leases and the tenants' responsibility for maintenance and cash flow-raising investments also means that Pandox shares a large portion of the investments in the hotel property with the tenant over time.



Mixed development in Europe

MARTIN CREYDT
SVP, DIRECTOR ASSET MANAGEMENT INTERNATIONAL

Our European markets developed somewhat differently than expected during the year. Germany exceeded expectations, especially in the second half of the year. Large corporations continue to take a fairly guarded approach, while cautious optimism is evident at the large German trade fairs and among the hospitality industry in general. Our own newly renovated hotels in Düsseldorf, Frankfurt and Baden-Baden delivered strongly, with higher average room rates and occupancy.

The UK was challenged by weaker RevPAR development in 2025, after several years of relatively high growth. This was mainly explained by lower volumes, with the average room rate remaining stable.

Ireland continued to develop strongly, with high occupancy rates and average room rates that were driven by increased international leisure travel, a strong domestic market and limited new hotel additions. The continued rise in revenue-based rent for our newly renovated Galway hotel was particularly gratifying.

We signed an agreement with Leonardo for the renovation and expansion of several hotels in the UK. We are also in dialogue with Leonardo concerning further renovations in Germany.

Numa Brussels Royal Galleries, which was recently reclassified from Own Operations to Leases, developed positively with Numa's unique and fully integrated digital hotel concept.

The acquisition of Dalata expands our portfolio by 32 new rental properties in the UK and Ireland, including the ongoing conversion of an office building into a hotel in Edinburgh. The acquisition means significant growth in our international lease portfolio. 2026 looks promising, with various exciting opportunities ahead of us.

Stronger Nordic hotel market

TOBIAS EKMAN
SVP, DIRECTOR ASSET MANAGEMENT NORDICS

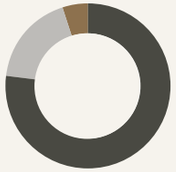
In 2025 the Nordic hotel market continued to strengthen,driven by both higher occupancy and increased room rates. Occupancy rose to 63 percent, while average room rates increased by 2 percent to around SEK 1,320.

The Nordic capitals performed steadily, with particularly strong growth in Oslo and Copenhagen where RevPAR increased by 10 and 13 percent respectively, supported by high business and event demand. Stockholm increased by just over 2 percent, while in Helsinki higher occupancy compensated for weak price development. At country level, Denmark and Norway are the winners this year with RevPAR growth of 9 and 8 percent respectively. Sweden was up by 4 percent and Finland by 1 percent.

Gothenburg showed some signs of recovery with a RevPAR increase of around 8 percent, although the large addition of capacity from previous years continues to put pressure on the market.

For 2026, the booking situation is strong in Oslo and Copenhagen and cautiously positive in Stockholm and Helsinki. Limited new development is expected to contribute to continued stabilisation in the region.

By lease type
Number of rooms



- Revenue-based leases with a minimum rent level, 77%
- Revenue-based leases with no minimum rent level, 18%
- Fixed leases, 5%

By partner
Number of rooms

- Scandic, 30%
- Leonardo, 21%
- Clayton, 11%
- Maldron, 6%
- Strawberry, 5%
- Radisson Blu, 5%
- NH, 5%
- Independent, 3%
- Hilton, 3%
- Other, 11%

By destination
Number of hotels

- Domestic, 49%
- Regional, 37%
- International, 15%

Own Operations
Improved profitability

The Own Operations business segment ended 2025 in a strong position, with good underlying RevPAR growth and profitability improvements in comparable portfolios.

NET OPERATING INCOME, MSEK
971

THE YEAR IN BRIEF

Net operating income strengthens

A good event calendar, increased business travel and more conferences contributed to increased occupancy and good RevPAR development. Revenues increased to MSEK 3,371 (3,271) and net operating income to MSEK 971 (842), despite a significant negative currency effect and a strong comparative year in 2024 when the UEFA European Championships were held in Germany. For comparable units in fixed currency, revenues decreased by –1 percent while net operating income was unchanged. The market value of the properties amounted to MSEK 14,573 (16,044) with an average valuation yield of 6.85 (6.89) percent.

On 2 February 2026 Crowne Plaza Antwerp was divested. Numa Brussels Royal Galleries (formerly Hotel Hubert) was reclassified from Own Operations to Leases.

Investing for growth

Investments in the existing portfolio amounted to MSEK 465 (292). The increase compared with 2024 is mainly due to more investment projects, the largest being the expansion of DoubleTree by Hilton Brussels City.

ABOUT OUR BUSINESS MODEL

An important aspect of active ownership

Operating hotels ourselves is an important tool when acquiring, repositioning and transforming hotel properties.

The ability to operate hotels ourselves reduces the risk when leases expire and/or when tenants cannot fulfil their obligations. This is also valuable in situations where hotels need to be renovated and repositioned, because we can then make investments and drive change at a fast pace. Being able to operate hotels ourselves also makes us a stronger and more skilled partner to our tenants.

Full operating exposure

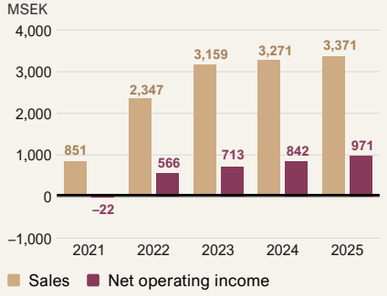
In the Own Operations segment we have full exposure to hotel operations. Revenue comes mainly from hotel rooms, conference spaces and food and beverages, as well as parking and spa services. On the expense side is personnel for reception, cleaning and restaurants, as well as other things needed to operate a hotel, such as energy and heating. Generating revenue is very important, and we have revenue and distribution strategies for each hotel. The combination of good revenue forecasts and sound resource planning drives both productivity and profitability.

Both external and our own brands

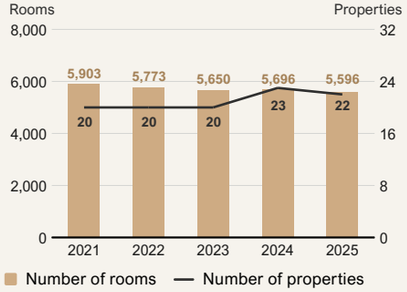
The choice of brand depends on the hotel property's unique situation and local market conditions.

As of 31 December 2025, a total of 11 hotel properties were being operated under management agreements, eight under franchise agreements and three under independent brands owned by Pandox.

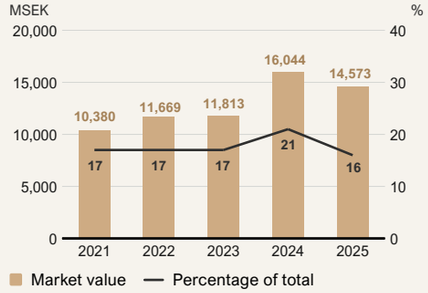
Sales and net operating income



Number of rooms and properties



Market value and percentage of total portfolio



Strong recovery at the end of the year

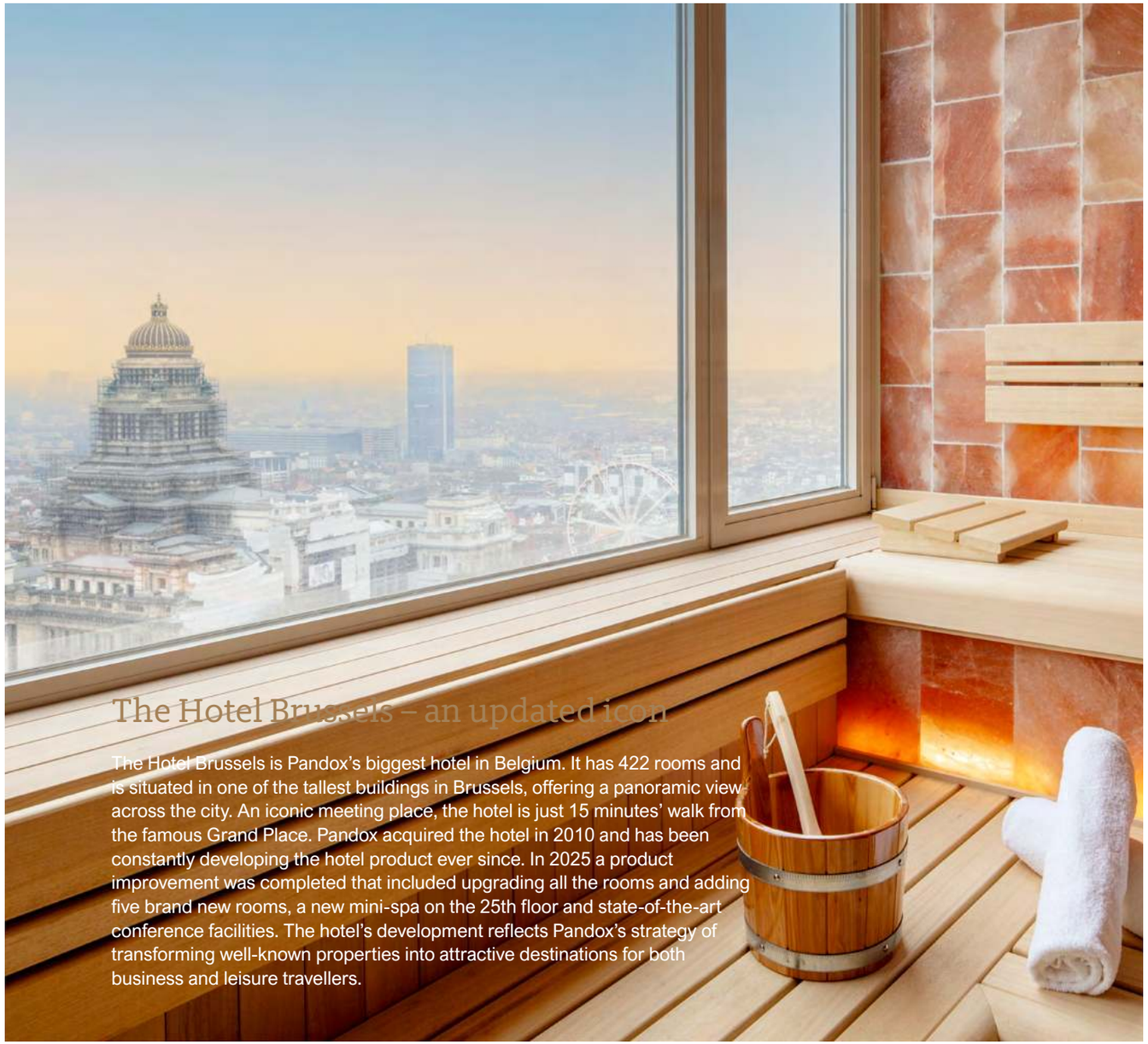
ALDERT SCHAAPHOK
SVP, DIRECTOR INTERNATIONAL OPERATIONS

2025 had a weak start in most markets, driven by macroeconomic uncertainty surrounding tariffs and continued geopolitical instability. This was a clear contrast to 2024, which benefited from major one-off events such as the UEFA European Championships in Germany.

The more uncertain environment dampened demand, reducing business travel and the number of large conferences and events. Competition also increased in several markets, particularly Brussels, which put pressure on average room rates in the first half of the year. The market stabilised in the second half and we saw a strong recovery in the fourth quarter of 2025 compared with the corresponding quarter of 2024.

At the same time, the cost base rose as a result of indexation, higher energy prices and continued labour shortages.

Looking ahead, the booking position for 2026 is higher than in the previous year, especially in the first half, largely due to fairly weak comparative figures from 2025. We will continue to focus on increasing our revenues with a profitable mix, combined with strong productivity and increased profitability overall. Germany's reduced VAT rate on food (down from 19 to 7 percent) will further support developments.



The Hotel Brussels – an updated icon

The Hotel Brussels is Pandox's biggest hotel in Belgium. It has 422 rooms and is situated in one of the tallest buildings in Brussels, offering a panoramic view across the city. An iconic meeting place, the hotel is just 15 minutes' walk from the famous Grand Place. Pandox acquired the hotel in 2010 and has been constantly developing the hotel product ever since. In 2025 a product improvement was completed that included upgrading all the rooms and adding five brand new rooms, a new mini-spa on the 25th floor and state-of-the-art conference facilities. The hotel's development reflects Pandox's strategy of transforming well-known properties into attractive destinations for both business and leisure travellers.

By lease type
Number of rooms

- Management agreement, 41%
- Franchise, 36%
- Independent brands, 23%

By partner
Number of rooms

- Independent brands, 27%
- Hilton, 26%
- Radisson Blu, 12%
- Marriott, 9%
- Holiday Inn, 8%
- Novotel, 8%
- Indigo, 5%
- Crowne Plaza, 5%

By destination
Number of hotels

- International, 15%
- Domestic, 21%
- Regional, 64%

Partnerships and relationships

Pandox has many different partnerships and our hotels play an important role in the local community.

HOTEL OPERATORS

- Scandic
- MOTEL ONE
- Leonardo Hotels
- NH HOTELS
- ELITE HOTELS OF SWEDEN
- Strawberry
- Citybox
- Hilton HOTELS & RESORTS
- GCH HOTEL GROUP
- MEININGER HOTELS

EXTERNAL BRANDS

- DOUBLETREE BY HILTON
- HOTEL INDIGO
- Radisson BLU
- NOVOTEL
- Dorint Hotel
- QUALITY HOTEL
- Mercure HOTELS
- Hilton Garden Inn

WHITE LABEL OPERATORS

- Grape HOSPITALITY

PANDOX'S OWN BRANDS

- The Hotel. BRUSSELS
- Hotel Berlin, Berlin
- HOTEL mayfair

SCANDIC MALMEN, STOCKHOLM

Deep, broad and long-term partnerships

Crucial to our success are the partnerships we have with our tenants, consisting of close to 40 hotel operators and hotel brands that vary in nature and geographical reach. These are global brands such as Hilton, regional brands such as Scandic and local independent brands such as Hotel Berlin, Berlin.

We diversify our hotel property portfolio by operating in domestic, regional and international markets, and in terms of hotel type and demand mix. Our large, full-service hotels in good locations attract all types of demand. Pandox's largest demand segment has historically been business travellers and conferences, but the percentage of leisure travellers has steadily increased. Increased leisure travel globally and our development of new hotel products with a more attractive leisure profile are two explanations for this.

Leisure travel dominated demand during the pandemic over the other categories. Business travel has, however, experienced a strong recovery and the demand mix in the hotel market is now more similar to the way it was before the pandemic.

Productivity and profitability always in focus

It is important to Pandox that tenants have a good commercial understanding and that they focus on productivity and profitability when operating their hotel. Good profitability enables new investments to be made in the hotel product, which boosts the value of the hotel property.

Different brands, different promises

While the number of brand owners in the hotel market has decreased, the number of hotel brands has increased. One explanation is strong growth in online travel agencies (OTAs) driving increased diversity on the supply side. The majority of hotel bookings in the world today are made digitally and the percentage continues to rise. Digitalisation is creating significant opportunities for us as a hotel property owner. An increased range of brands and low barriers for us to create and distribute independent hotel products digitally provides the Company with unique opportunities to give newly acquired hotel properties and/or those recently taken over the right identity and position.

The relevance and power of the different brands depends on the submarket. Scandic and Strawberry, with brands including Clarion, Home and Hobo, are leading actors in the regional hotel market in the Nordics. Clayton and Maldron are similar examples in the UK and Ireland, along with Leonardo Hotels in Germany. However, none of these brands holds the same attraction for international business travellers and conferences as Hilton or Radisson. For us as a hotel property owner it is important to understand which brands work where, which type of demand they attract in their respective submarkets and where the hotel should be positioned in order to be as profitable as possible.

Independent brands are sometimes better

Sometimes a situation arises in which it we choose to create our own independent hotel brand. The reasons may be that the present brand is not sending out the right signals in the market, that it is too expensive or that it is not a good fit for the market or the hotel. A strategy of independence is particularly relevant when a substantial change in the hotel product is necessary, for example when acquiring an underperforming hotel or taking over after an expired lease. In such situations it is generally simpler and more effective to change both the product and organisational structure under an independent brand. There is a greater degree of freedom and the return is often higher.

Example: Citybox Brussels

In 2022 we acquired the former NH Brussels Louise, with an ambition to reposition the hotel ourselves. Following the acquisition we initiated an extensive renovation of the property, in which every part of the hotel was modernised. In conjunction with this we entered into a 25-year revenue-based lease with Norwegian hotel operator Citybox, an innovative and rapidly growing actor.

HOTEL PULLMAN COLOGNE

BRIEF FACTS ABOUT SOME OF OUR BUSINESS PARTNERS

Scandic

Scandic Hotels Group is the largest hotel operator in the Nordics with around 280 hotels and 58,000 rooms in six countries. It operates hotels under the Scandic, Scandic GO, Clayton, Maldron and Hilton brands.

Fattal

Fattal Hotel Group is one of Europe's fastest-growing hotel chains with 315 hotels and 56,000 rooms in 21 countries, as well as an active pipeline in Europe and Israel.

Strawberry

Strawberry Hospitality Group is the second largest hotel operator in the Nordics after Scandic, with more than 250 hotels and around 50,000 rooms and long-stay products. Strawberry has a broad portfolio of brands.

ELITE HOTELS OF SWEDEN

Elite Hotels Group is a Swedish hotel group with 40 or so hotels and about 7,500 rooms in the Swedish market. Operations are conducted under the Elite Hotels, Elite Stadshotellet and Adlon brands.

Hilton

Hilton Worldwide is one of the largest brand owners and distribution companies in the global hotel market, with more than 25 brands spread across nearly 9,000 hotels in over 140 countries.

Radisson BLU

Radisson Hotel Group is one of the world's largest hotel companies with over 1,500 hotels and more than 245,000 rooms in 100 countries. Radisson has attractive brands and holds a strong position in the international hotel market.

NH HOTELS

NH Hotel Group is one of Europe's largest regional hotel operators with more than 370 hotels and around 55,000 rooms in 30 countries. NH has a clear focus on hotel operation and constructive business development.

RADISSON BLU HOTEL, GLASGOW

HOTELISM BY PANDOX

Market and trends

Pandox has a broad geographical presence with hotel properties in 90 cities around Europe. We are mainly to be found in locations dominated by domestic and regional demand. Our hotel properties are large and versatile, attracting both business and leisure demand.

44 Trends
45 Hotel Market Day 2025
46 Pandox in the world
47 Market structure
48 Market overview
49 The Pandox share

Trends in the hotel market

	A bigger, richer world	Focus on experiences	A smooth guest journey	Guests have multiple roles	Sustainability and values
What is changing	• The world is growing economically and the population is increasing. • The global middle class is constantly growing.	• Once material needs have been satisfied, experiences become increasingly important. • People value their freedom more than before the pandemic.	• A smooth guest journey is associated with high expectations. • Digitalisation is also shaping the guest experience in new ways.	• Travel is changing. • A guest may begin their journey as a business traveller and end it as a leisure traveller, or vice versa.	• As the level of knowledge increases, there is a growing expectation that companies will focus on ESG. • Expectations regarding transparency and fulfilment of the Paris Agreement, including biodiversity. • Changed practices among investors and banks are steering capital towards sustainable actors.
Impact on the industry	Greater prosperity is resulting in increased travel, which in turn increases demand for hotel rooms.	People are travelling for more reasons than previously. This calls for greater understanding of the drivers of different demand segments and how to tailor hotel products to them.	Today's hotel guests want to maximise their positive experiences, whether travelling for business or pleasure. The hotel is no longer just a place to sleep, but part of a lifestyle.	When hotel guests shift between different roles during a trip, they demand more of the hotel product and the guest experience.	• Integrating sustainability into the business strategy. • Requirements regarding energy efficiency and climate-neutral operations. • Biodiversity and transparency in the value chain.
Pandox's response	We offer hotel properties and hotel products where hotel operators can run their business.	We are constantly developing our hotel products so that they attract various types of demand based on the specific conditions of the market, the microlocation and the hotel property.	We are constantly exploring and testing new ways to improve the guest experience. Our ecosystem of partnerships and relationships is a strong competitive advantage in this.	We use various strategies to maximise the revenue streams in each individual hotel property; for example, through flexible room concepts and an attractive service offering.	Established science-based targets. CapEx plan for investments within Scope 1 and 2. A plan for Scope 3 has been produced. Reporting according to CSRD.

The future of the hotel market – an industry in transition

In preparation for the Hotel Market Day 2026, Pandox carried out a brief survey on future drivers in the hotel market. There were 193 respondents; just over half work in hotels or property.

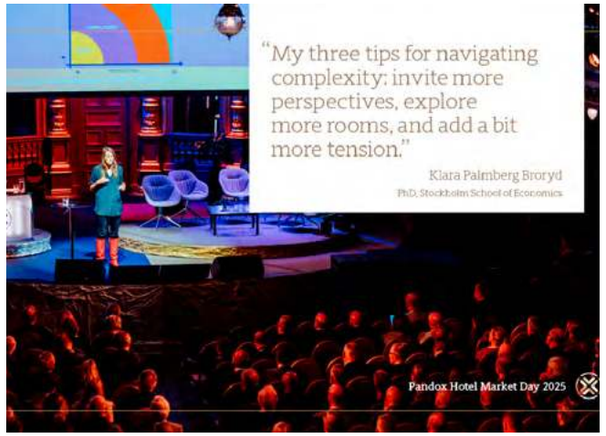
- **What has driven the hotel sector over the past 30 years?** Increased prosperity, OTAs and greater ease of travel.
- **What is expected to drive the hotel sector over the next three decades?** Positive drivers such as economic growth, new travel behaviour and new technology are expected to carry more weight than negative factors such as the climate, overtourism and war.
- **Which drivers are expected to affect global development the most over the next three decades?** Relatively even split between climate change/geopolitics and growth/development. Very few respondents believe there will be stagnation or decline.
- **Is the hotel sector future-proofed?** Most think that the sector is well-prepared or partially prepared for the coming changes.
- **Hotels on Mars within 30 years?** 60% believe that there will be hotels on Mars, while 40% do not.

See more on the next page.

30 years passed, 30 years forward

Read more insights from the day at pandox.se

In 2025 we celebrated our 30th Hotel Market Day since the start in 1996. The theme was "30 years passed, 30 years forward". The focus was on hotel market development over the past three decades and the most important drivers for the future. The original objective – to reflect on and analyse important changes in the business environment and to help increase knowledge – still stands.



Pandox in the world

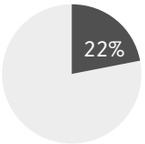
Pandox's hotel property portfolio is exposed to three main types of markets: international, regional and domestic cities, together creating a well-balanced demand profile.

INTERNATIONAL CITIES

Number of hotels
35

Number of rooms
9,488

Share



RevPAR

Type of demand
International

Examples of cities
London, Berlin

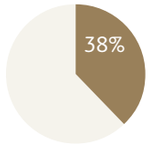
International cities are characterised by high purchasing power and a large proportion of international guests. Demand is driven by global business and leisure demand, supported by large airports with strong route networks, plenty of companies and an attractive offering for all types of tourism. The markets offer high RevPAR and good profitability, but are at the same time more cyclical and sensitive to changes in international travel.

REGIONAL CITIES

Number of hotels
67

Number of rooms
16,356

Share



RevPAR

Type of demand
Regional
Some international

Examples of cities
Hamburg, Copenhagen

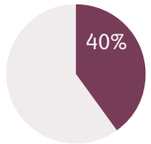
Regional cities have a more mixed demand profile, with both international and domestic guests contributing to stable occupancy over the year. These markets often function as economic and logistics hubs in a region, and provide more stable revenue growth with moderate volatility.

DOMESTIC CITIES

Number of hotels
91

Number of rooms
16,917

Share



RevPAR

Type of demand
Domestic

Examples of cities
Leeds, Örebro

Domestic cities are dominated by local and national demand. The guest flows come mainly from domestic business travel, the public sector and leisure travel within the country. The RevPAR level is lower, but revenue flows are stable and less sensitive to global economic fluctuations.

Long-term, sustainable business model

Pandox's growing position in a fragmented European hotel market is built on competitive advantages that are difficult to replicate. Our size, expertise, diversified portfolio, strong networks and flexible business model create sustainable competitive advantages that make us uniquely positioned to grow and create value over time.

RevPAR – a key performance indicator

RevPAR (revenue per available room) is a key indicator in the hotel industry and an important measure for Pandox. RevPAR is a measure of a hotel's – or in aggregate form, a market's – earnings capacity and describes how well it has succeeded in occupying its rooms (demand) and at what room rate (willingness to pay). RevPAR varies with economic activity and demand from various subsegments of the travel market as well as structural factors such as country, city, location, transportation, product type and supply in the hotel market. In addition there are multiple strong market trends that support the hotel market, such as people spending more money on experiences and wanting to travel more often.

See the section on trends on page 43.

Daily monitoring and analysis

Tracking RevPAR is part of Pandox's business monitoring process. In the Leases business segment RevPAR is tracked on an ongoing basis. In the Own Operations segment it is tracked daily by the hotels and the Pandox Revenue Management Centre in Brussels. The capacity and performance of the individual operator makes a big difference. Based on systematic business analysis, Pandox discusses various possibilities to support the operator in developing and refining the hotel product, thereby increasing profitability for the operator and rental income for Pandox.

Markets vary in nature

Pandox is active in hotel markets that vary in nature and circumstances. This is reflected in RevPAR and thus determines in what kind of hotel investments can be profitably made. The higher the RevPAR, the more scope there is for Pandox to make investments that add value.

International destinations such as London and Amsterdam have a high proportion of international demand and good demand in all subsegments. Regional cities such as Stockholm, Copenhagen, Manchester, Cologne and Hamburg have a smaller international element, but generally good demand from all subsegments. Domestic cities such as Leeds, Linköping and Kuopio are more dependent on domestic demand and individual subsegments. However, these generally experience stable development over time and are less dependent on major global events.

Overall, Pandox has a clear demand balance in its portfolio with a good spread of risk between different types of markets, countries and destinations.

See the section "Pandox in the world" on page 45.

Comments: Net RevPAR takes into account the costs of procuring customers – e.g. distribution and marketing – and is a more relevant measure for a hotel operator.

RevPAR can be used in various ways:

1. To take the temperature of the hotel sector
2. To measure how well a hotel market is performing
3. As a measure of how a hotel is performing in its market

How RevPAR works

If the average room rate is SEK 1,000 and the occupancy rate is 70 percent, then RevPAR is SEK 700 (1,000 x 0.70 = 700). A hotel with 200 rooms thus has annual room revenue of SEK 51,100,000 (700 x 200 x 365). In addition there is generally other revenue such as from food, beverages and conferences – which by definition is not included in the term RevPAR.

From RevPAR to rental income

Pandox's leases are revenue-based, with a certain percentage of the hotel's revenue becoming rent for Pandox. The percentage is normally higher for hotel rooms and conference rooms, and lower for food and beverages and other revenue. The difference is due to the fact that profitability, and thus the ability to pay rent, is higher for accommodation than for restaurant operations.

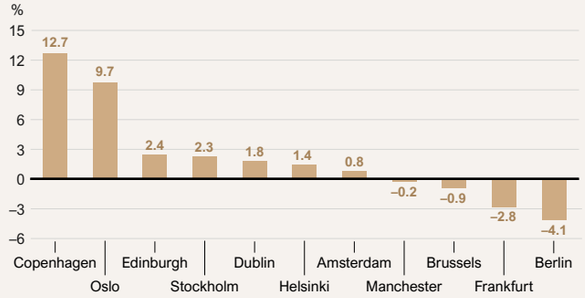
If the rent in the above case is paid at 35 percent of room revenue, then the rental income for Pandox is SEK 17,885,000 (51,100,000 x 0.35). In addition, there will normally be other income that in certain cases may be substantial. This means that Pandox's actual rent growth may be either higher or lower than RevPAR growth in the market.

The market in 2025

In 2025 there was steady development in the European hotel market, with good demand from both international and domestic travellers. Occupancy and average room rates increased in most markets, while the effects of new capacity and economic uncertainty slowed development in other places. International travel continued to strengthen, with various large trade fairs, conferences and events contributing to good market development during the year.

- The Nordics saw positive development; Denmark was the strongest market, with high RevPAR growth driven by good international demand – particularly in Copenhagen. Sweden followed, with strong development in Stockholm. Gothenburg also experienced a clear trend improvement during the year. Norway saw stable demand and increased average room rates, while Finland's development was more modest despite a continuing inflow of international travellers to Helsinki.
- Germany had strong trade fair and conference activity, with normalised trade fair cycles and large international events driving both occupancy and average room rates in multiple markets. The development in most markets was against the backdrop of a strong comparison year due to the UEFA European Championships in 2024.
- The UK had strong growth with improved average room rates in regional markets, while development in London was more uneven.
- Ireland had good full-year development with Dublin benefitting from strong demand and increased average room rates, particularly during periods of high international activity.
- Belgium had good international demand, reinforced by increased EU activity during the autumn, even though new capacity slowed RevPAR growth.

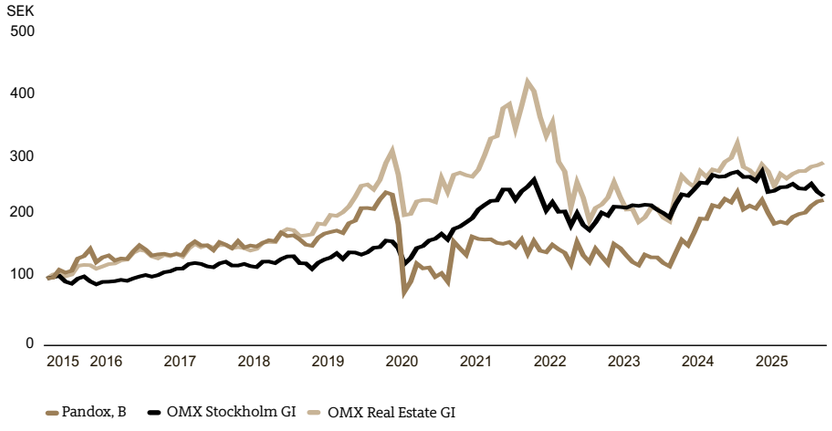
Key markets (RevPAR growth in 2025 compared with 2024)



The share and the capital market

Pandox's class B shares have been listed on Nasdaq Stockholm Large Cap since June 2015. Pandox's goal is to provide the capital market with open, reliable and accurate information on the Company's operations and financial development to enable the Company and also the shares to be valued accurately.

TOTAL RETURN ON PANDOX SHARES
18 June 2015–31 December 2025

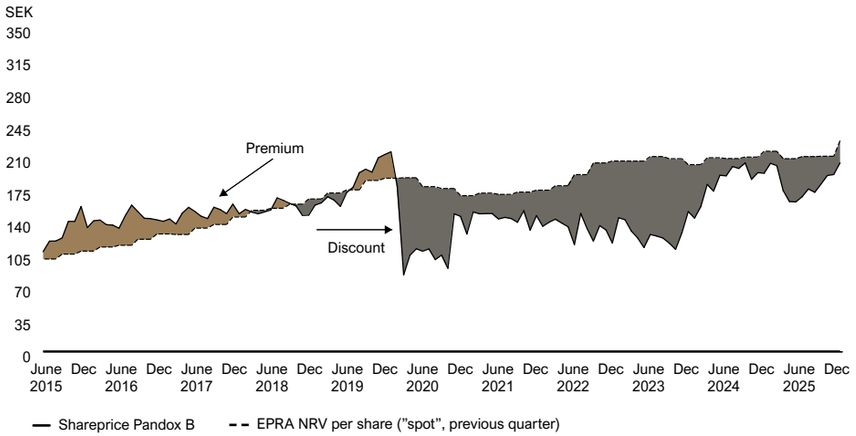


Source: Modular Finance

Pandox's total return over time

The Pandox share's total return in 2025 was 8 percent. Calculated from the share's first trading day on 18 June 2015, the total return at year-end was 127 percent.

THE PANDOX SHARE AND EPRA NRV PER SHARE
18 June 2015 – 31 December 2025



Net asset value important in valuation of property companies

The valuation of a property company is normally based on its net asset value, which in simple terms is the difference between the market value of the property portfolio and net debt. In most property companies there are also derivatives, tax assets and tax liabilities that affect the net asset value. A premium is when market cap is higher than the net asset value and a discount is when market cap is lower than the net asset value.

See page 202 for a definition of Pandox's net asset value according to EPRA NRV.

ANNUAL GENERAL MEETING

Pandox AB's Annual General Meeting will take place on Wednesday, 15 April 2026. For information about the AGM and how it will be held, visit pandox.se.

Annual General Meeting calendar

Record date for the Annual General Meeting	7 April 2026
Annual General Meeting	15 April 2026

PROPOSED DIVIDEND

At the 2026 Annual General Meeting the Board of Directors will propose a dividend of SEK 4.50 (4.25) per share, equivalent to around MSEK 876 (827) in total, for the 2025 financial year.

FINANCIAL CALENDAR

Annual General Meeting 2026	15 April 2026
Interim Report January–March 2026	29 April 2026
Capital Market Day 2026	5 May 2026
Interim Report April–June 2026	15 July 2026
Interim Report July–September 2026	22 October 2026
Year-End Report 2026	4 February 2027

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Six quick facts – Pandox as an investment

1

Europe's leading hotel property owner

We are the largest listed owner of hotel properties in Europe, which is the world's largest hotel and tourism market. The hotel and tourism industry is global and dynamic, with strong structural growth factors.

2

Only hotel properties

We invest only in hotel properties and create value through active and engaged ownership. We have deep knowledge of properties, hotel operations and acquisitions throughout the value chain, giving us maximum freedom to act.

3

Attractive lease model with shared goals

We have long-term, revenue-based leases yielding good guaranteed minimum levels. This model provides joint incentives for us and the strong and skilled hotel operators we work with as tenants. We share the upside in a growing hotel market while also having downside protection in a weaker market.

4

High-yielding properties and long leases

Our property portfolio has an average dividend yield of 6.37 percent and a positive yield spread of close to 250 points. Our lease portfolio has a WAULT of 13.6 years.

5

Profitable co-investments with operators

We make profitable investments – which are to a large extent shared with our tenants – in our existing hotel properties. This contributes to profitable growth over time. We also invest in projects with good financial and sustainability-related returns.

6

Strong platform for growth

A growing hotel market, combined with good opportunities to acquire new hotel properties and invest in existing ones, provides a strong platform for growth. The Dalata acquisition will contribute significantly to growth in 2026.

QUALITY HOTEL GRAND, BORÅS

Dialogue with investors

We have ongoing dialogue with analysts that monitor Pandox and with investors who want to know more about Pandox as an investment. Here are a few questions we have received.

What growth opportunities are there in 2026? Which markets do you think have the most potential?
The acquisition of Dalata will contribute significantly to rental income, net operating income and cash earnings. Additionally, conditions for a growing hotel market are considered to be good, mainly driven by infrastructure investments in many markets and the increased economic growth this will create. There is also hope that disposable income will increase for households as a consequence of decreasing inflation, stable interest rates and selective tax reductions.

How will you further develop the recently acquired Dalata hotels?
All of the hotel properties are well-invested and of high quality. They make a positive contribution to the technical and sustainability standards in Pandox's portfolio. An office building is being converted into a hotel with 172 rooms in Edinburgh (St Andrew Square), while Clayton Cardiff Lane in Dublin is being expanded to add 115 new rooms. Completion of these projects is expected in 2026–2027.

Pandox and Scandic see good potential to jointly develop the market positions of the hotels and gain additional market share over time.

Can investors expect any new acquisitions in 2026, given the substantial acquisition of Dalata in 2025?
In 2026 the focus will be on splitting Dalata into a hotel operations side and a property-owning side. This process is planned for completion in the second half of 2026, at which point Scandic is expected to acquire the hotel operations side consisting of 56 hotels in total for MEUR 500. The loan to Scandic for this side of the business is already outside of our loan-to-value ratio, which is 52.7 percent and is therefore not impacted by the planned divestment. As this decreases, it may be feasible to begin gradually exploring acquisition opportunities again.

What will the construction of new hotels look like in your markets in the coming years?
In general, fewer new hotels are being built in Europe than over the past several years. Individual markets where increased demand is expected to have a greater impact on Pandox over the next few years are certain markets in the UK, Ireland and Germany.

ANALYSTS WHO FOLLOW PANDOX

ABG Sundal Collier
Fredrik Stensved
Oscar Lindquist

DNB Carnegie
Fredric Cyon
Erik Granström

Handelsbanken
Johan Edberg
Sebastian Jakobsson

SB1
Albin Sandberg
Niklas Wetterling

Green Street
Andres Toome
Robert Phillips

Nordea
David Flemmich

UBS
Artem Prokopets

Danske Bank
Stefan Andersson

SUSTAINABILITY

Memberships
- Sweden Green Building Council
- Property owners
- UN Global Compact
- Energy & Environment Alliance (EEA)

Ranking
- CDP score B in 2025
- Gold Award in 2024 EPRA Sustainability Best Practices Recommendations
- One of Financial Times Europe's Climate Leaders 2024 – Financial Times & Statista
- One of world's best companies 2024 – Sustainable growth – Time & Statista

The share and ownership structure

Listed on Nasdaq Stockholm

Pandox's class B shares have been listed on Nasdaq Stockholm's large cap list since 2015. The class B shares are also traded on several alternative marketplaces. This is the second time that Pandox has been a listed company. The first time was from 1997 to 2004.

Share price development and market capitalisation

On 31 December 2025 the last price paid for the class B shares was SEK 203.00 (191.80) and the visible market cap was MSEK 24,279 (22,940). With the unlisted class A shares included at the same price as the class B shares, the market cap was MSEK 39,504 (37,325).

In 2025 the total return on the Pandox share was 8 (31) percent, compared with the OMX Stockholm Benchmark PI at 8 (9) percent and the OMX Stockholm Real Estate PI at –9 (–2) percent.

Calculated from the date of listing, 18 June 2015, the value of Pandox shares at year-end 2025 had increased by 91 percent compared to 129 percent for the OMX Stockholm Real Estate PI and 178 percent for the OMX Stockholm Benchmark PI. The total return on Pandox shares over the same period was 129 percent.

Trading and liquidity

Trading on Nasdaq Stockholm accounted for 35 (43) percent of all trading in Pandox shares in 2025. During the year around 36 (40) million class B shares were traded on Nasdaq Stockholm, corresponding to around 30 (34) percent of outstanding class B shares at year-end, for a value of around MSEK 6,400 (7,200). Average daily trading on Nasdaq Stockholm during the year amounted to 145,540 (158,057) shares, corresponding to around MSEK 26 (29) in value. Trading on marketplaces other than Nasdaq Stockholm amounted to 65 (57) percent.

Largest shareholders as of 31 December 2025

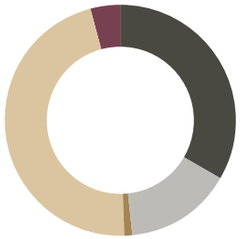
The 10 largest registered shareholders according to percentage of voting rights

Shareholder	Number of class A shares	Number of class B shares	% of share capital	% of votes
Eiendomsspar AS	37,314,375	10,950,826	24.8	35.7
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 Försäkring & Fonder		23,310,890	12.0	6.8
Carnegie Fonder		9,130,027	4.7	2.7
Alecta Tjänstepension		7,687,577	4.0	2.2
Länsförsäkringar Fonder		6,982,647	3.6	2.0
Vanguard		4,855,105	2.5	1.4
Handelsbanken Fonder		4,422,956	2.3	1.3
Fjärde AP-fonden		3,817,781	2.0	1.1
Total, top 10 shareholders	74,628,750	74,069,996	76.4	86.5
Other shareholders	371,250	45,568,384	23.6	13.5
Total	**75,000,000**	**119,603,000**	**100**	**100**

Information compiled by Monitor as of 31 December 2025.
Sources: Euroclear Sweden, Morningstar, Finansinspektionen (FI), Nasdaq and Millistream.

Shareholders by category as percentage of capital

31 December 2025



- Swedish institutions, 33%
- Foreign institutions, 15%
- Swedish individuals, 1%
- Other shareholders, 46%
- Anonymous ownership, 4%

Shareholders by country as percentage of capital

31 December 2025

- Norway, 49%
- Sweden, 36%
- USA, 7%
- Other, 8%

Information compiled by Monitor as of 31 December 2025.
Sources: Euroclear Sweden, Morningstar, Finansinspektionen (FI), Nasdaq and Millistream.

Key ratios

	2025	2024
Key ratios per share, after dilution effects [1]		
Total net operating income, SEK	23.39	22.15
Profit for the year, SEK	16.13	9.04
Cash earnings, SEK [2]	9.80	10.46
Equity, SEK [2]	174.27	173.15
Net reinstatement value (EPRA NRV), SEK	227.01	215.58
Dividend, SEK [3]	4.50	4.25
Market cap, MSEK	39,504	37,325
Total return, Pandox shares, %	8	31
Return, OMX Stockholm Benchmark GI, %	8	9
Return, OMX Stockholm Real Estate GI, %	–9	–2
Dividend pay-out ratio of cash earnings, %	46	41
Dividend pay-out ratio of EPRA NRV, %	2.0	2.0
Dividend yield, %	2.2	2.2
Total number of shares at end of period, thousands	194,600	194,600

[1] For definitions of key ratios see page 202.
[2] Attributable to the shareholders of the Parent Company.
[3] For 2025 the Board's proposed dividend is stated.

For more key ratios and comparative years, visit pandox.se.

SHARE FACTS

As of 31 December 2025

Market: Nasdaq Stockholm
Segment: Large Cap
Sector: Real Estate
Ticker symbol: PNDX B
Number of class B shares (listed): 119,603,000
Number of class A shares (unlisted): 75,000,000

Market cap: MSEK 39,504 (class A and B shares)
Share volatility: 32% (five years, annual basis)
Share beta value: 1.0 (five years, OMX-SPI)
Average daily trading volume: 145,540 shares (2025)

Source: Nasdaq, InFront, Euroclear, Monitor, Pandox.

SCANDIC MALMEN
STOCKHOLM

HOTELISM BY PANDOX

Properties

Pandox has a large hotel property portfolio consisting of 193 hotels operated in several different ways and under a large range of brands. We have a geographically diversified presence with hotel properties in more than 90 cities.

54 Geographical overview
63 Property portfolio
64 Change in property value
65 Property list

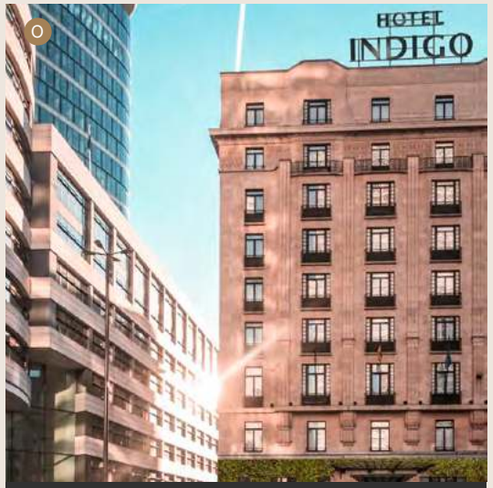
Belgium

Demand

- International
- Regional
- Domestic

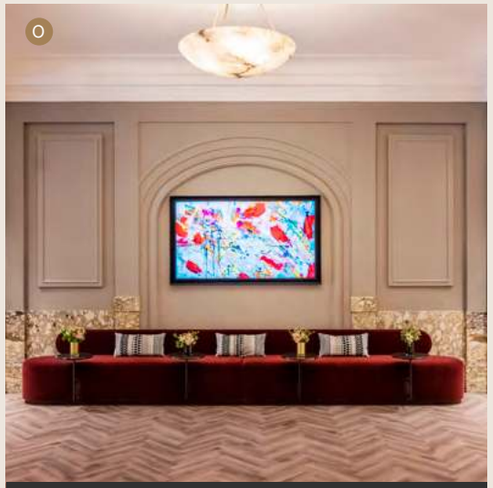
Share of Pandox

5% 10 hotels
6% 2,733 rooms
7% of market value



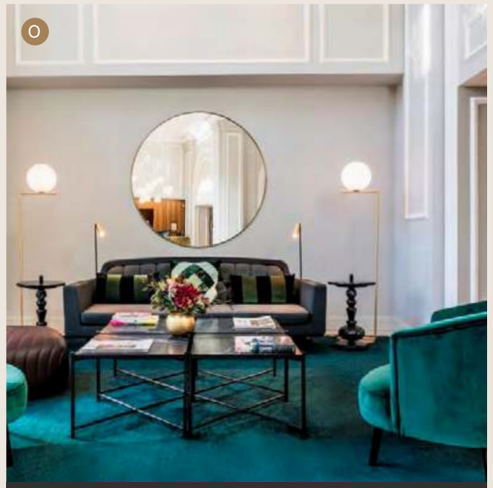
O

Hotel Indigo Brussels – City
284 rooms
Green Key, SafeGuard, BREEAM



O

DoubleTree by Hilton Brussels City
354 rooms
Green Key, SafeGuard

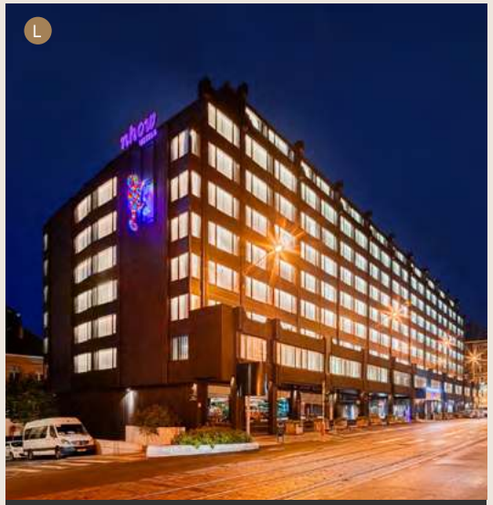


O

Hilton Grand Place Brussels
224 rooms
Green Key, BREEAM, ISO14001, ISO50001

L

Citybox Brussels
246 rooms

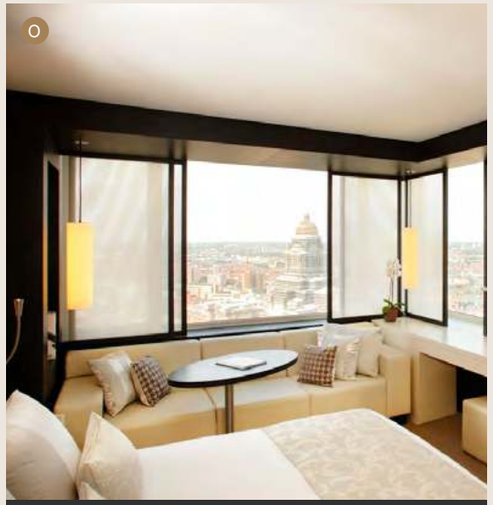


L

nhow Brussels Bloom
305 rooms
Bioscore

L

Numa Brussels Royal Galleries
100 rooms
Green Key, BREEAM



O

The Hotel Brussels
421 rooms
Green Key, BREEAM

O

Holiday Inn Brussels Airport
310 rooms
Green Key, BREEAM, IHG Green Engage

L Leases
O Own Operations

Geographical overview

Denmark

Demand

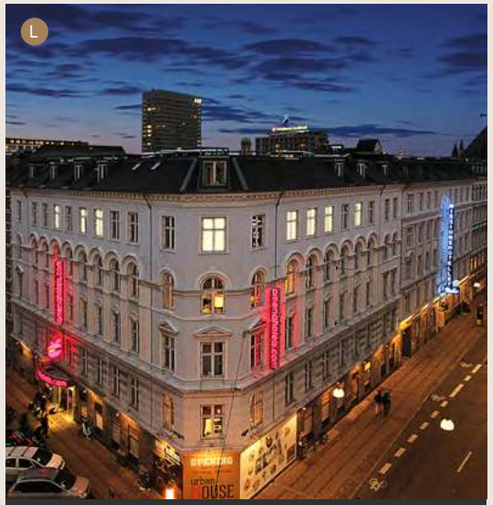
- International
- Regional
- Domestic

Share of Pandox

4% 8 hotels
4% 1,843 rooms
5% of market value

L Leases
O Own Operations

Geographical overview



L

MEININGER Hotels Copenhagen
228 rooms

L

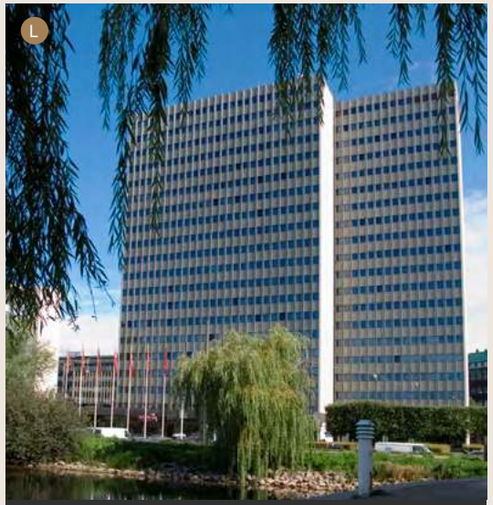
Scandic Hvidovre
207 rooms
Nordic Swan

O

Hotel Mayfair Copenhagen
203 rooms
Green Key

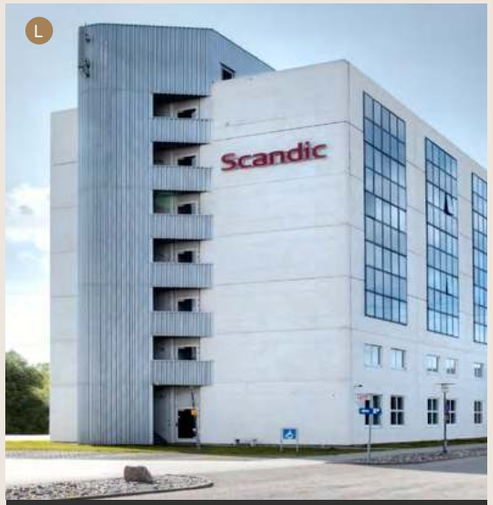
L

Scandic Sluseholmen
215 rooms
Nordic Swan



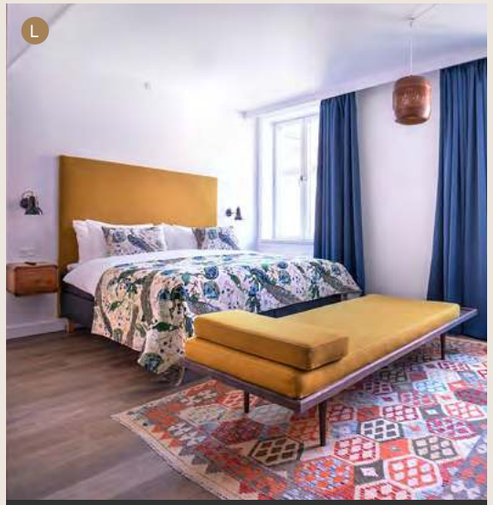
L

Scandic Copenhagen
486 rooms
Nordic Swan



L

Scandic Kolding
186 rooms
Nordic Swan



L

Motel One Copenhagen
200 rooms
Green Key

L

Scandic Glostrup
120 rooms
Nordic Swan

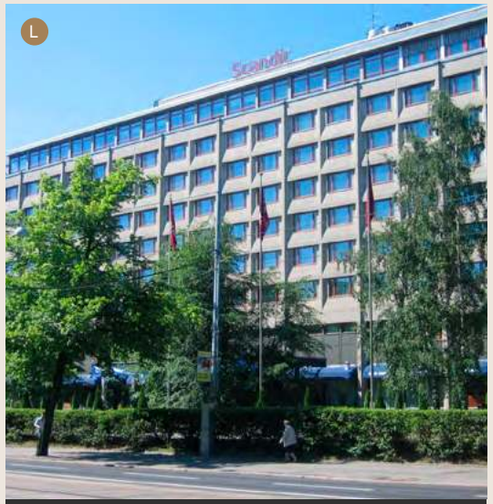
Finland

Demand

- International
- Regional
- Domestic

Share of Pandox

6% 12 hotels
7% 2,765 rooms
5% of market value

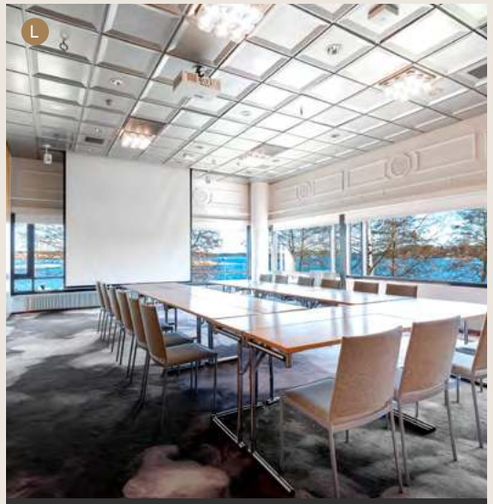


L

Scandic Park Helsinki
523 rooms
Nordic Swan

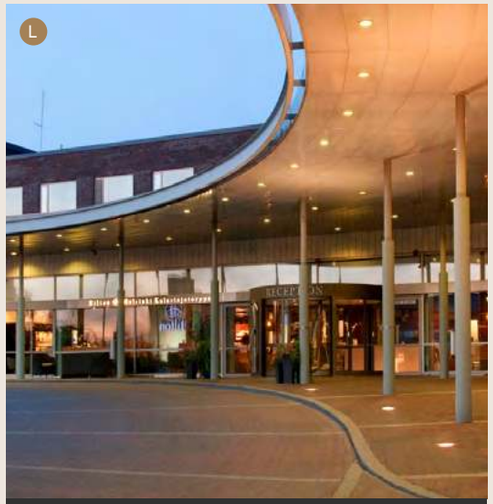
L

Scandic Tampere City
263 rooms
Nordic Swan



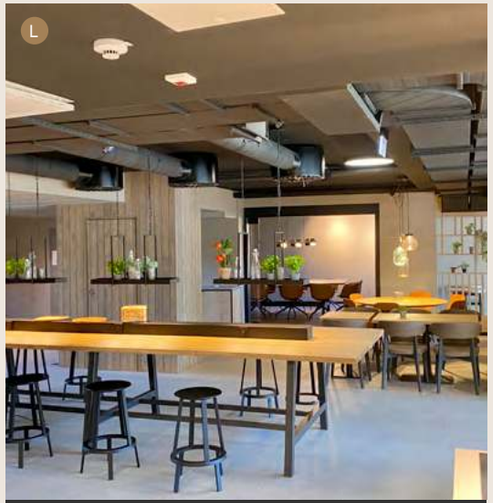
L

Scandic Kuopio
137 rooms
Nordic Swan



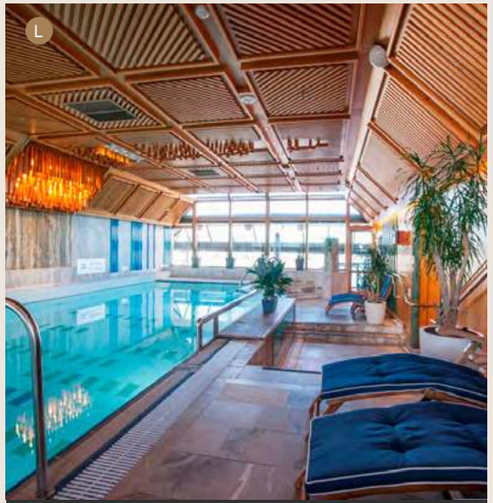
L

Hilton Helsinki Kalastajatorppa
238 rooms
ISO14001, ISO50001



L

Pilot Airport Hotel
109 rooms



L

Hilton Helsinki Strand
190 rooms
ISO14001, ISO50001

L

Scandic Grand Marina
470 rooms
Nordic Swan

L

Scandic Rosendahl
213 rooms
Nordic Swan

L Leases
O Own Operations

Geographical overview

Norway

Demand

- International
- Regional
- Domestic

Share of Pandox

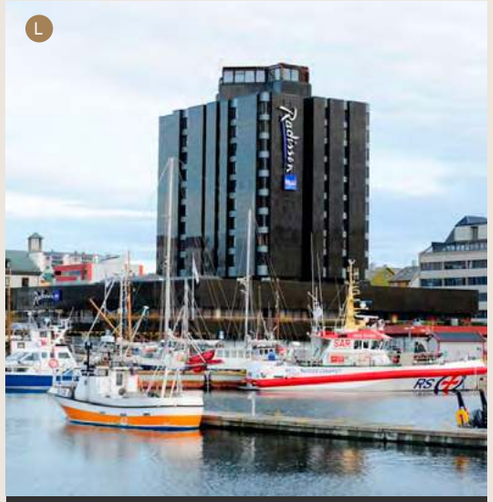
8% 15 hotels
7% 2,842 rooms
5% of market value

L Leases
O Own Operations

Geographical overview

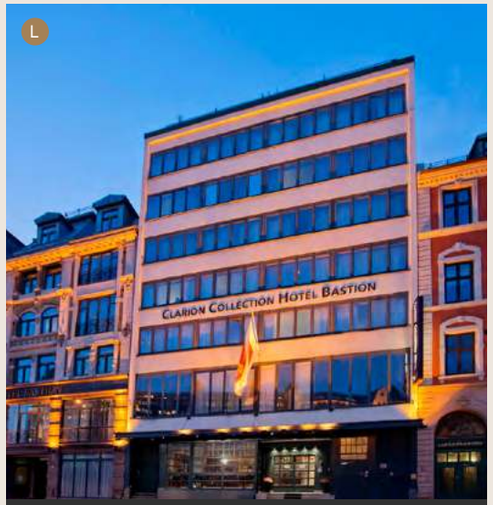
L

Scandic Solli
226 rooms — Nordic Swan



L

Radisson Blu Hotel, Bodø
191 rooms — Green Key



L

Home Hotel Bastion
99 rooms — ISO 14001

L

Radisson Blu Hotel, Tromsø
269 rooms — Green Key

L

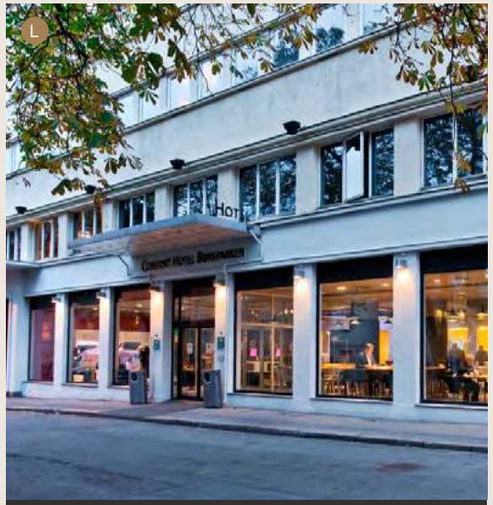
Scandic Sørlandet
210 rooms — Nordic Swan

L

Comfort Hotel Bergen
159 rooms — ISO 14001

L

Scandic Lillehammer
303 rooms — Nordic Swan



L

Comfort Hotel Børsparken
248 rooms — ISO14001

Sweden

Demand

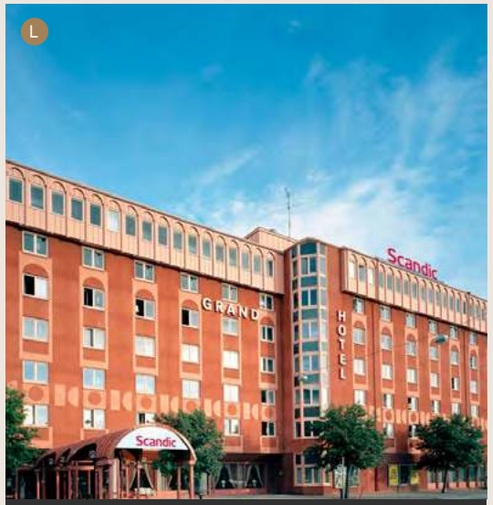
- International
- Regional
- Domestic

Share of Pandox

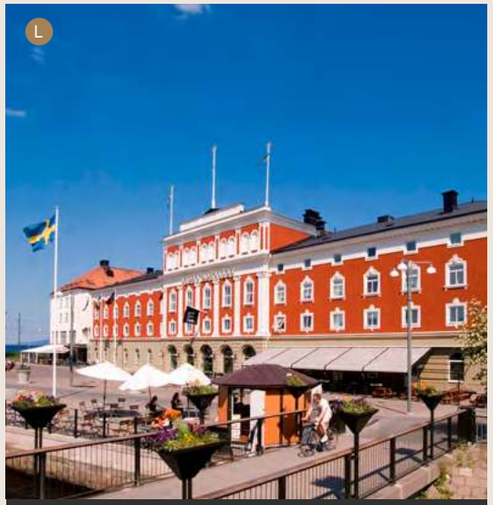
22% 42 hotels
22% 9,176 rooms
18% of market value

L Leases
O Own Operations

Geographical overview

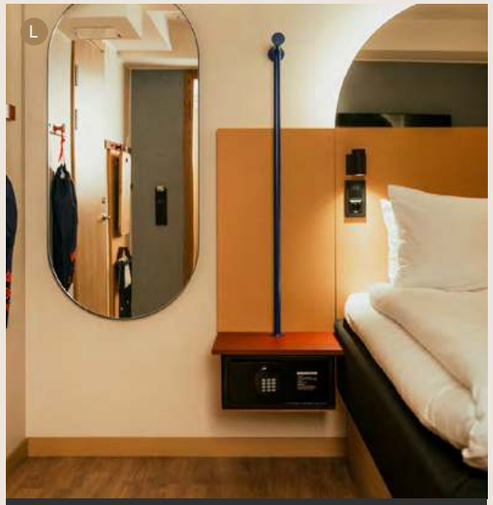


Scandic Grand Örebro
224 rooms
Nordic Swan

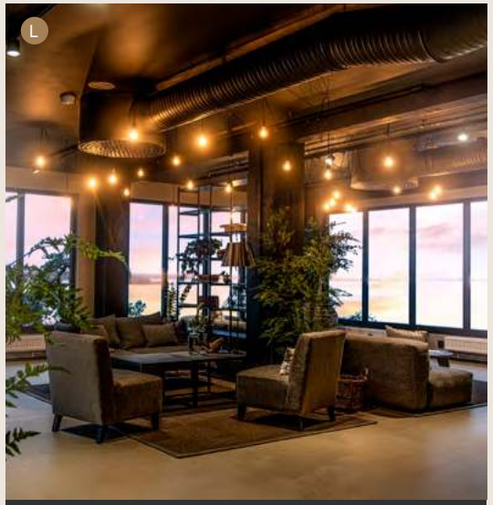


Elite Stora Hotellet Jönköping
167 rooms
Green Key
ISO 14001, ISO 50001

Hilton Stockholm Slussen
289 rooms
Green Key



Scandic Go Sankt Eriksgatan 20
234 rooms
BREEAM



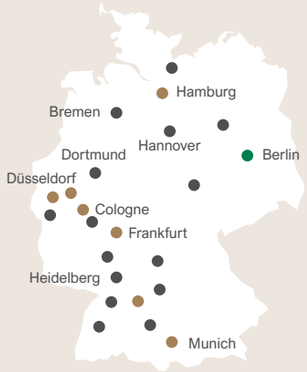
Vildmarkshotellet Kolmården
213 rooms
Nordic Swan

Scandic Park Stockholm
203 rooms
Nordic Swan

Radisson Blu Arlandia Hotel
342 rooms
Green Key

Scandic Crown, Gothenburg
338 rooms
Nordic Swan

Germany



Demand

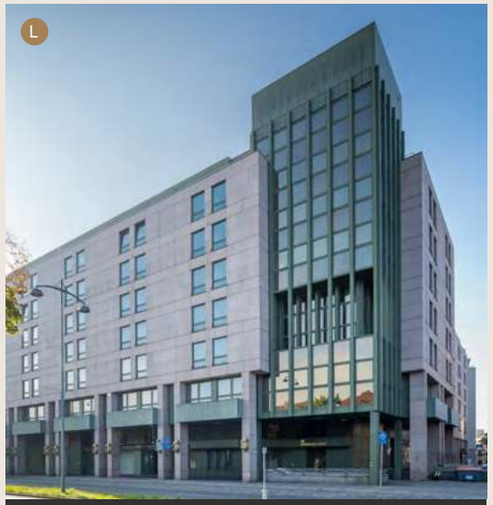
- International
- Regional
- Domestic

Share of Pandox

20% 38 hotels
20% 8,398 rooms
18% of market value

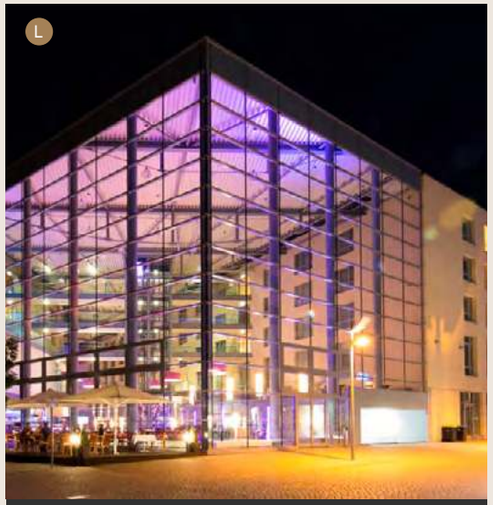
L Leases
O Own Operations

Geographical overview



L

Scandic Nürnberg Central
311 rooms
Nordic Swan

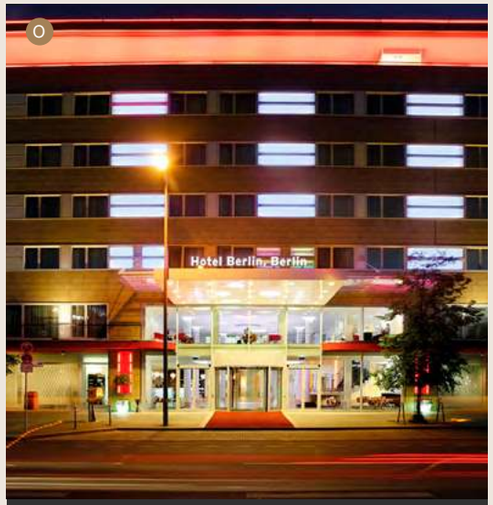


L

Dorint Hotel am Dom Erfurt
160 rooms
Green Key

L

Leonardo Royal Köln am Stadtwald
150 rooms
Green Key



O

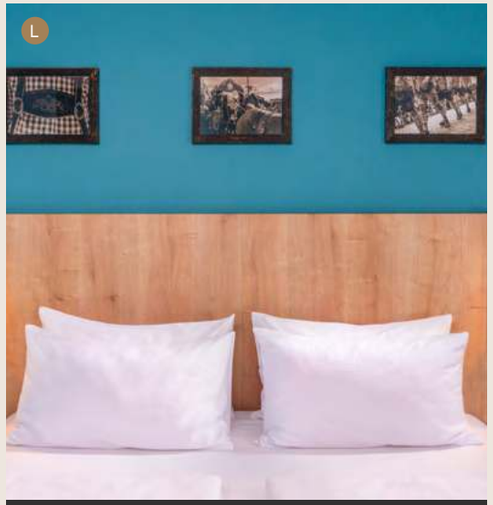
Hotel Berlin, Berlin
701 rooms
Green Key
BREEAM

O

Holiday Inn Lübeck
159 rooms
Green Key
BREEAM

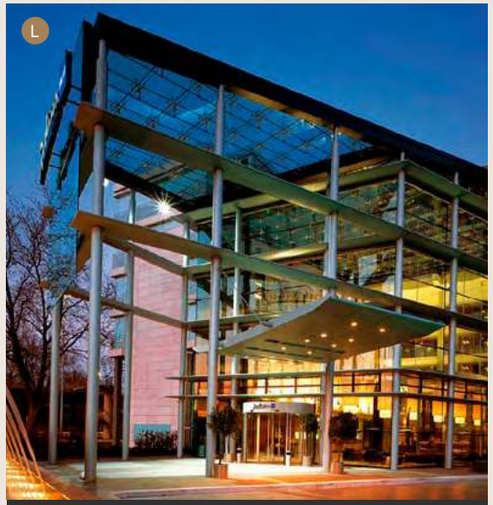
L

NH Munich Airport
236 rooms
Bioscore



L

Mercure Hotel München Neuperlach Süd
253 rooms



L

Radisson Blu Hotel, Cologne
393 rooms
Green Key

United Kingdom

Demand

- International
- Regional
- Domestic

Share of Pandox

20% 39 hotels
21% 8,758 rooms
25% of market value

L Leases
O Own Operations

L

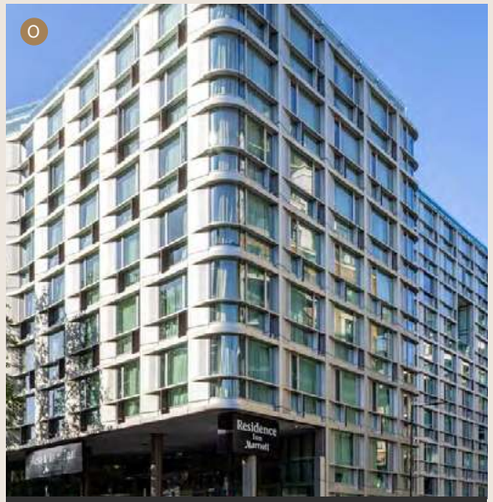
The Midland Hotel, Manchester
312 rooms | Green Tourism Bronze

L

Clayton Hotel Manchester Airport
365 rooms | Green Tourism Bronze

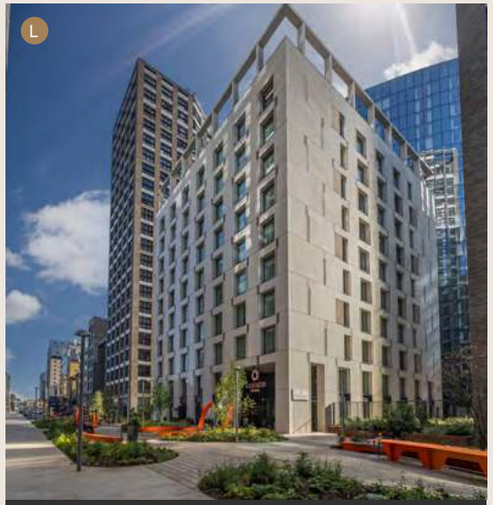
O

Hilton Garden Inn London Heathrow Airport
364 rooms | Green Key | BREEAM



O

Residence Inn by Marriott London Kensington
315 rooms | Green Key | ECOsmart

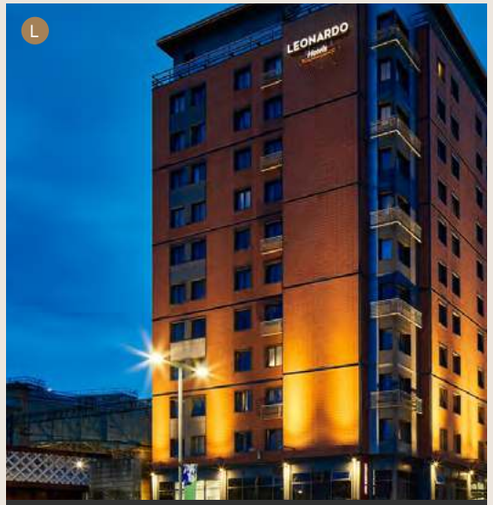


L

Clayton Hotel City of London
212 rooms | Green Tourism Bronze

L

Leonardo Royal Hotel Birmingham
445 rooms | Green Tourism Gold



L

Leonardo Royal Hotel Glasgow
321 rooms | Green Tourism Silver

L

Maldron Hotel Belfast City
237 rooms | Green Tourism Bronze

Geographical overview

Ireland

Demand

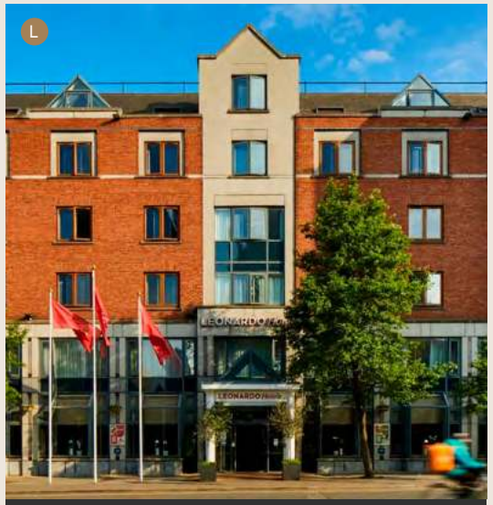
- International
- Regional
- Domestic

Share of Pandox

12% 24 hotels
12% 4,966 rooms
14% of market value

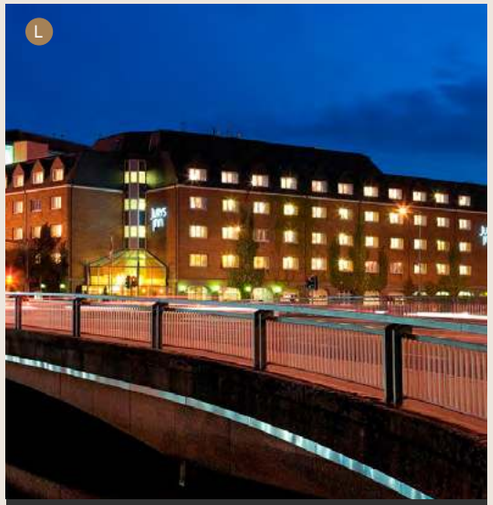
L Leases
O Own Operations

Geographical overview



L

Leonardo Hotel Dublin Christchurch
182 rooms — Green Tourism Bronze



L

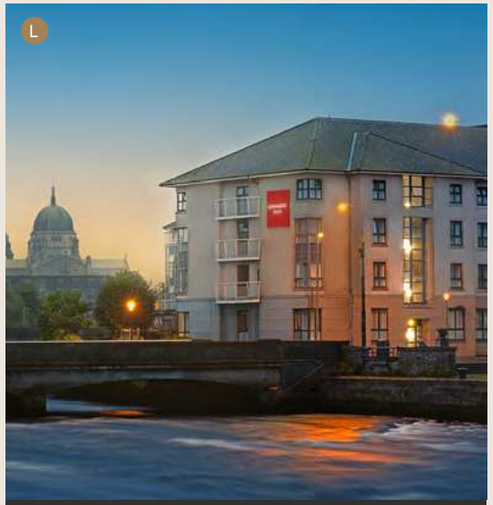
Leonardo Hotel Cork
133 rooms — Green Tourism Silver

L

Clayton Hotel Leopardstown
357 rooms — Green Tourism Bronze

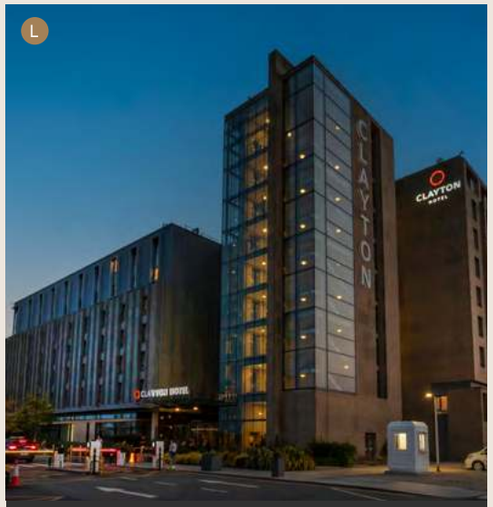
L

Clayton Hotel Liffey Valley
351 rooms — Green Tourism Silver



L

Leonardo Hotel Galway
130 rooms — Green Tourism Silver

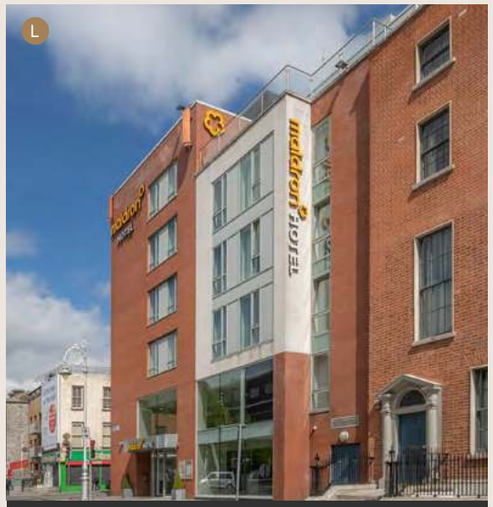


L

Clayton Hotel Dublin Airport
608 rooms — Green Tourism Silver

L

Maldron Hotel Newlands Cross
297 rooms — Green Tourism Bronze



L

Maldron Hotel Parnell Square
182 rooms — Green Tourism Silver

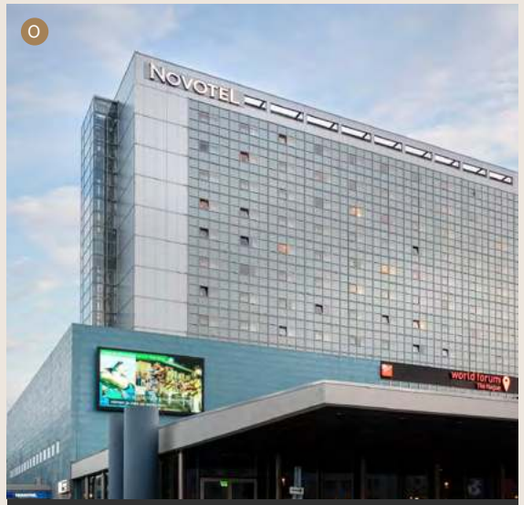
Netherlands

Demand

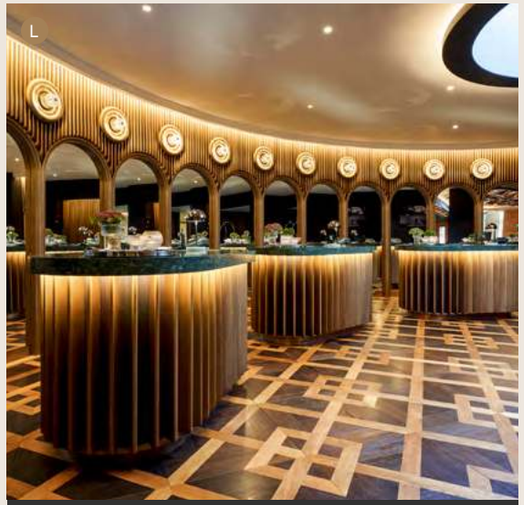
- International
- Regional
- Domestic

Share of Pandox

1% 2 hotels
1% 405 rooms
2% of market value

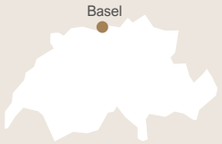


Novotel Den Haag World Forum
216 rooms Green Key



Park Centraal Amsterdam
189 rooms ECOsmart EarthCheck

Switzerland



Demand

- International
- Regional
- Domestic

Share of Pandox

1% 1 hotel
1% 206 rooms
1% of market value

Radisson Blu Hotel, Basel
206 rooms Green Key

Austria

Demand

- International
- Regional
- Domestic

Share of Pandox

1% 2 hotels
2% 639 rooms
2% of market value

NH Vienna Airport
499 rooms Bioscore

L Leases
O Own Operations

Geographical overview

Property portfolio

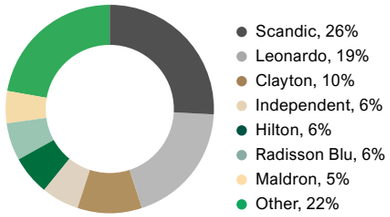
At year-end 2025, Pandox's property portfolio consisted of 193 (161) hotel properties with 42,761 (35,672) hotel rooms in 11 (11) countries.

The Leases business segment covers more than 84 percent of the total market value of external leases in the portfolio. The tenants are skilled hotel operators with strong hotel brands in their respective markets.

The remainder consists of the Own Operations business segment, in which Pandox operates hotels itself.

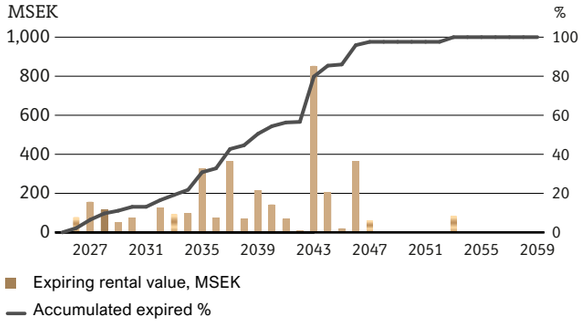
Rooms by operator/brand

31 December 2025



Lease maturity profile

31 December 2025



PORTFOLIO OVERVIEW BY SEGMENT AND COUNTRY, 31 DECEMBER 2025

	Number		Market value (MSEK)		
Leases	**Hotels**	**Rooms**	**Per country**	**As % of total**	**Per room**
Sweden (SE)	42	9,176	16,648	18	1.8
United Kingdom (GB)	30	6,896	16,469	18	2.4
Germany (DE)	33	6,908	13,111	14	1.9
Ireland (IE)	24	4,996	12,824	14	2.6
Denmark (DK)	8	1,843	4,347	5	2.4
Finland (FI)	11	2,605	4,198	5	1.6
Norway (NO)	15	2,842	4,167	5	1.5
Belgium (BE)	4	865	1,828	2	2.1
Austria (AT)	2	639	1,530	2	2.4
Netherlands (NL)	1	189	1,189	1	5.8
Switzerland (CH)	1	206	860	1	4.6
Total – Leases	**171**	**37,165**	77,170	84	2.1
Own Operations					
United Kingdom (GB)	9	1,862	6,366	7	3.4
Belgium (BE)	6	1,868	4,160	5	2.2
Germany (DE)	5	1,490	3,629	4	2.4
Netherlands (NL)	1	216	390	0	1.8
Finland (FI)	1	160	29	0	0.2
Total – Own Operations	**22**	**5,596**	**14,573**	**16**	**2.6**
Total	**193**	**42,761**	**91,743**	**100**	**2.1**

PORTFOLIO OVERVIEW BY BRAND, 31 DECEMBER 2025

	Number			
Brand	**Hotels**	**Rooms**	**As % of total**	**Countries**
Scandic	49	11,008	26	SE, NO, FI, DK, DE
Leonardo	38	7,957	19	GB, IE, DE
Clayton	16	4,176	10	GB, IE
Hilton	10	2,585	6	BE, GB, FI, SE
Radisson Blu	10	2,531	6	CH, DE, GB, NO, SE
Maldron	14	2,221	5	GB, IE
Strawberry	10	1,828	4	SE, NO
NH	7	1,681	4	AT, DE, BE
Dorint	4	847	2	DE
Elite Hotels	3	647	2	SE
Mercure	3	610	1	DE
Pullman	2	527	1	DE
Marriott	3	503	1	GB
Holiday Inn	2	469	1	BE, DE
Novotel	2	421	1	DE, NL
Indigo	1	284	1	BE
Crowne Plaza	1	262	1	BE
Citybox	1	246	1	BE
Meininger	1	228	1	DK
Motel One	1	200	1	DK
Frich's	1	176	0	NO
Vienna House Easy	1	150	0	DE
Adagio	1	146	0	GB
Best Western	1	103	0	SE
Numa	1	100	0	BE
Independent brands	10	2,755	6	SE, FI, BE, DE, NL, GB
Total	**193**	**42,761**	**100**	**11**

Change in property value

At the end of 2025 Pandox's property portfolio had a total market value of MSEK 91,743 (76,334), of which MSEK 77,170 (60,290) was for investment properties and MSEK 5,596 (16,044) was for operating properties. The market value of operating properties is reported for information purposes only and is included in EPRA NRV. Operating properties are recognised at cost less depreciation and any impairment. At the end of the period the carrying amount of operating properties was MSEK 11,657 (12,637).

At year-end 2025 the average valuation yield amounted to 6.28 (6.13) percent for investment properties and 6.85 (6.89) percent for operating properties.

Read more about Pandox's valuation of hotel properties on pages 173–177.

MSEK	Investment properties	Operating properties[1]	Total market value
Opening market value 1 Jan	**60,290**	**16,044**	**76,334**
Acquisitions	18,950	4	18,954
Divestments	–136	0	–136
Investments	619	465	1,084
Disposals	–11	–	–11
Reclassifications	212	–212	–
Unrealised change in value	600	–483	117
Foreign currency effect	–3,354	–1,245	–4,599
Reclassifications	0	0	0
Closing market value 31 Dec	**77,170**	**14,573**	**91,743**
Impact drivers			
Valuation yield	498	89	587
Cash flow	102	–572	–470
Total recognised unrealised change in value	600	–	600
Total realised recognised change in value	5	0	5
Average valuation yield, %, 31 Dec 2025	6.28	6.85	6.37

[1] Reported for information only.

CLAYTON HOTEL
LONDON WALL

Property list

LEASES

Hotel	City	Location	Environmental certification/ environmental management system	Type of agreement	Operator	Brand	Sq m	Number of rooms	Demand
SWEDEN									
Best Western Royal Star, Älvsjö	Stockholm	Congress centre		RM	Private	Best Western	4,900	103	R
Clarion Hotel Grand Östersund	Östersund	City centre	Nordic Swan	RM	Strawberry Hotels	Clarion Hotel	8,766	197	D
Elite Hotel Frost, Kiruna	Kiruna	City centre	Green Key	RM	Elite Hotels	Elite Hotels	7,500	154	D
Elite Park Avenue, Gothenburg	Gothenburg	City centre	Green Key	RM	Elite Hotels	Elite Hotels	21,998	326	R
Elite Stora Hotellet, Jönköping	Jönköping	City centre	Green Key	RM	Elite Hotels	Elite Hotels	11,378	167	D
Hilton Stockholm Slussen	Stockholm	City centre	Green Key	R	Hilton	Hilton	18,416	289	R
Home Hotel Grand, Helsingborg	Helsingborg	City centre	Nordic Swan	RM	Strawberry Hotels	Home Hotel	8,555	158	D
Quality Hotel Ekoxen	Linköping	City centre	Nordic Swan	RM	Strawberry Hotels	Quality Hotel	14,671	208	D
Quality Hotel Grand Borås	Borås	City centre	Nordic Swan	RM	Strawberry Hotels	Quality Hotel	9,593	220	D
Quality Hotel Luleå	Luleå	City centre	Nordic Swan	RM	Strawberry Hotels	Quality Hotel	12,166	220	D
Quality Hotel Park Södertälje	Södertälje	City centre	Nordic Swan	R	Strawberry Hotels	Quality Hotel	10,292	207	D
Radisson Blu Hotel, Arlandia	Stockholm	Airport	Green Key	RM	Radisson Hospitality	Radisson Blu	15,260	342	R
Radisson Blu Hotel, Malmö	Malmö	City centre	Green Key	RM	Radisson Hospitality	Radisson Blu	18,969	229	D
Scandic Alvik, Stockholm	Stockholm	Business park	Nordic Swan	RM	Scandic Hotels	Scandic	12,075	324	R
Scandic Backadal, Gothenburg	Gothenburg	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	9,397	236	R
Scandic Crown, Gothenburg	Gothenburg	City centre	Nordic Swan	R	Scandic Hotels	Scandic	24,380	338	R
Scandic Elmia, Jönköping	Jönköping	Congress centre	Nordic Swan	RM	Scandic Hotels	Scandic	11,230	287	D
Scandic Go Sankt Eriksgatan 20	Stockholm	City centre	Nordic Swan, BREEAM In-Use Very Good	RM	Scandic Hotels	Scandic Go	6,000	234	R
Scandic Grand, Örebro	Örebro	City centre	Nordic Swan	R	Scandic Hotels	Scandic	12,900	224	D
Scandic Hallandia, Halmstad	Halmstad	City centre	Nordic Swan	R	Scandic Hotels	Scandic	7,617	170	D
Scandic Helsingborg Nord	Helsingborg	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	9,399	240	D
Scandic Järva Krog, Stockholm	Stockholm	Ring road	Nordic Swan	R	Scandic Hotels	Scandic	11,300	215	R
Scandic Kalmar Väst	Kalmar	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	5,485	150	D
Scandic Kista	Stockholm	Congress centre	Nordic Swan	R	Scandic Hotels	Scandic	5,517	149	R
Scandic Kramer, Malmö	Malmö	City centre	Nordic Swan	R	Scandic Hotels	Scandic	7,441	113	D
Scandic Kungens Kurva, Stockholm	Stockholm	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	11,581	260	R
Scandic Linköping Väst	Linköping	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	6,105	153	D
Scandic Luleå	Luleå	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	11,313	273	D
Scandic Malmen, Stockholm	Stockholm	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	15,130	355	R
Scandic Mölndal, Gothenburg	Gothenburg	City centre	Nordic Swan	R	Scandic Hotels	Scandic	11,000	208	R
Scandic Norrköping Nord	Norrköping	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	6,768	151	D
Scandic Park, Stockholm	Stockholm	City centre	Nordic Swan	R	Scandic Hotels	Scandic	12,290	213	R
Scandic Plaza, Borås	Borås	City centre	Nordic Swan	R	Scandic Hotels	Scandic	10,592	204	D
Scandic S:t Jörgen, Malmö	Malmö	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	24,401	288	D
Scandic Segevång, Malmö	Malmö	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	6,284	169	D
Scandic Skärholmen	Stockholm	City centre	Nordic Swan	R	Scandic Hotels	Scandic	7,400	208	R
Scandic Star Sollentuna	Stockholm	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	18,573	270	R
Scandic Sundsvall Nord	Sundsvall	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	4,948	169	D
Scandic Södertälje	Södertälje	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	5,630	131	D
Scandic Winn, Karlstad	Karlstad	City centre	Nordic Swan	R	Scandic Hotels	Scandic	10,580	199	D
Scandic Örebro Väst	Örebro	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	7,621	212	D
Vildmarkshotellet, Kolmården	Norrköping	Resort	Nordic Swan	RM	Parks & Resorts	Independent	10,300	213	D

FACTS – TOTAL PANDOX PORTFOLIO

Rooms by agreement type,
31 December 2025

- Revenue-based leases with a minimum rent level, 67%
- Revenue-based leases, 16%
- Fixed rent, 4%
- Franchise agreement (Own Operations), 5%
- Independent agreement (Own Operations), 3%
- Management agreement (Own Operations), 5%

Rooms by brand,
31 December 2025

- Scandic, 26%
- Leonardo, 19%
- Clayton, 10%
- Independent, 6%
- Hilton, 6%
- Radisson Blu, 6%
- Maldron, 5%
- Other, 22%

Key

R	Revenue-based
RM	Revenue-based with guaranteed minimum rent
RP	Revenue-based and profit-based
P	Profit-based
F	Fixed
IP	International profit-based
M	Management agreement
FR	Franchise agreement
AM	Asset management agreement
D	Domestic
R	Regional
I	International

Hotel	City	Location	Environmental certification/ environmental management system	Type of agreement	Operator	Brand	Sq m	Number of rooms	Demand
NORWAY									
Comfort Hotel Bergen	Bergen	City centre	Nordic Swan	RM	Strawberry Hotels	Comfort Hotel	5,920	159	D
Comfort Hotel Børsparken	Oslo	City centre	Nordic Swan	RM	Strawberry Hotels	Comfort Hotel	9,736	248	R
Frich's Hotel Hamar	Hamar	Ring road	Nordic Swan	RM	Frich's	Frich's	9,250	176	D
Home Hotel Arcticus, Harstad	Harstad	City centre	Nordic Swan	RM	Strawberry Hotels	Home Hotel	5,034	112	D
Home Hotel Bastion, Oslo	Oslo	City centre	Nordic Swan	R	Strawberry Hotels	Home Hotel	4,688	99	R
Radisson Blu Hotel, Bodø	Bodø	City centre	Green Key	RM	Radisson Hospitality	Radisson Blu	15,546	191	D
Radisson Blu Tromsø	Tromsø	City centre	Green Key	RM	Radisson Hospitality	Radisson Blu	19,385	269	I
Scandic Alexandra, Molde	Molde	City centre	Nordic Swan	R	Scandic Hotels	Scandic	18,356	165	D
Scandic Bodø	Bodø	City centre	Nordic Swan	R	Scandic Hotels	Scandic	8,750	136	D
Scandic Hafjell	Øyer	Resort	Nordic Swan	R	Scandic Hotels	Scandic	9,540	210	D
Scandic Kokstad, Bergen	Bergen	Airport	Nordic Swan	R	Scandic Hotels	Scandic	9,654	199	D
Scandic Lillehammer	Lillehammer	Resort	Nordic Swan	R	Scandic Hotels	Scandic	18,000	303	D
Scandic Solli, Oslo	Oslo	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	12,962	226	R
Scandic Sørlandet, Kristiansand	Kristiansand	Resort	Nordic Swan	R	Scandic Hotels	Scandic	9,940	210	D
Scandic Valdres, Fagernes	Fagernes	Resort	Nordic Swan	R	Scandic Hotels	Scandic	10,310	139	D
DENMARK									
Hotel Mayfair (Hobo Copenhagen)[1]	Copenhagen	City centre	Green Key, BREEAM In-Use Very Good	RM	Pandox/Independent	Hobo (upcoming)	7,465	201	R
MEININGER Hotels Copenhagen	Copenhagen	City centre		RM	MEININGER Hotels	MEININGER	8,158	228	R
Motel One Copenhagen	Copenhagen	City centre	Green Key	RM	Motel One	Motel One	7,963	200	R
Scandic Copenhagen	Copenhagen	City centre	Nordic Swan	R	Scandic Hotels	Scandic	31,500	486	R
Scandic Glostrup	Copenhagen	Ring road	Nordic Swan	R	Scandic Hotels	Scandic	5,767	120	R
Scandic Hvidovre	Copenhagen	Ring road	Nordic Swan	R	Scandic Hotels	Scandic	9,005	207	R
Scandic Kolding	Kolding	Ring road	Nordic Swan	RM	Scandic Hotels	Scandic	10,472	186	D
Scandic Sluseholmen	Copenhagen	Ring road	Nordic Swan	R	Scandic Hotels	Scandic	14,177	215	R
FINLAND									
Hilton Helsinki Kalastajatorppa	Helsinki	Ring road	ISO 14001, ISO 50001	RM	Scandic Hotels	Hilton	26,171	238	R
Hilton Helsinki Strand	Helsinki	City centre	ISO 14001, ISO 50001	RM	Scandic Hotels	Hilton	18,450	190	R
Pilot Airport Hotel	Vantaa	Airport		R	Private	Independent	3,570	112	R
Scandic Espoo	Espoo	Ring road	Nordic Swan	R	Scandic Hotels	Scandic	6,407	96	D
Scandic Grand Marina, Helsinki	Helsinki	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	29,607	470	R
Scandic Jyväskylä	Jyväskylä	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	8,952	150	D
Scandic Kuopio	Kuopio	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	9,538	137	D
Scandic Park, Helsinki	Helsinki	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	32,271	523	R
Scandic Rosendahl, Tampere	Tampere	Resort	Nordic Swan	R	Scandic Hotels	Scandic	18,348	213	D
Scandic Tampere City	Tampere	City centre	Nordic Swan	RM	Scandic Hotels	Scandic	19,012	263	D
Skyline Airport Hotel	Vantaa	Airport		RM	Private	Independent	9,717	213	R

[1] New lease with Strawberry Hotels and the Hobo brand to take effect no later than 2026.

Key

R	Revenue-based
RM	Revenue-based with guaranteed minimum rent
RP	Revenue-based and profit-based
P	Profit-based
F	Fixed
IP	International profit-based
M	Management agreement
FR	Franchise agreement
AM	Asset management agreement
D	Domestic
R	Regional
I	International

Hotel	City	Location	Environmental certification/ environmental management system	Type of agreement	Operator	Brand	Sq m	Number of rooms	Demand
GERMANY									
Dorint Hotel am Main Taunus Zentrum Frankfurt	Frankfurt	Ring road	Green Key	F	Revo Hospitality Group	Dorint	13,518	282	R
Dorint Hotel an der Kongresshalle Augsburg	Augsburg	City centre		RM	Revo Hospitality Group	Dorint	9,300	184	D
Dorint Hotel an den Westfalenhalle Dortmund	Dortmund	Congress centre		RM	Revo Hospitality Group	Dorint	14,000	221	D
Dorint Hotel am Dom Erfurt	Erfurt	City centre	Green Key	RM	Revo Hospitality Group	Dorint	13,100	160	D
Leonardo Hotel Aachen	Aachen	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	5,320	99	D
Leonardo Hotel Düsseldorf Airport Ratingen	Düsseldorf	Airport	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	9,900	199	R
Leonardo Hotel Düsseldorf City Center	Düsseldorf	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	10,544	134	R
Leonardo Hotel Frankfurt City South	Frankfurt	Airport	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	15,800	295	R
Leonardo Hotel Hamburg City Nord	Hamburg	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	9,237	182	R
Leonardo Hotel Hannover	Hannover	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	10,350	178	D
Leonardo Hotel Hannover Airport	Hannover	Airport	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	11,777	214	D
Leonardo Hotel Heidelberg	Heidelberg	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	9,484	169	D
Leonardo Hotel Heidelberg-Walldorf	Heidelberg	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	7,966	161	D
Leonardo Hotel Karlsruhe	Karlsruhe	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	8,857	147	D
Leonardo Hotel Köln-Bonn Airport	Cologne	Airport	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	7,900	177	R
Leonardo Hotel Mannheim City Center	Mannheim	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	10,300	148	D
Leonardo Hotel Mönchengladbach	Mönchengladbach	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	6,018	128	D
Leonardo Royal Hotel Baden-Baden	Baden-Baden	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Royal	8,300	121	D
Leonardo Royal Hotel Düsseldorf Königsallee	Düsseldorf	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Royal	20,771	253	R
Leonardo Royal Hotel Frankfurt	Frankfurt	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Royal	24,000	449	R
Leonardo Royal Hotel Köln – Am Stadtwald	Cologne	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Royal	9,500	150	R
Leonardo Hotel Wolfsburg City Center	Wolfsburg	City centre	Green Key	RM	Fattal Hotel Group	Leonardo Hotels	19,275	343	D
Mercure Hotel Frankfurt Eschborn Ost	Frankfurt	City centre	Green Key	F	Revo Hospitality Group	Mercure	10,000	224	R
Mercure Hotel München Neuperlach	Munich	City centre		F	Revo Hospitality Group	Mercure	12,172	253	R
Mercure Hotel Schweinfurt Maininsel	Schweinfurt	City centre	Green Key	F	Revo Hospitality Group	Mercure	9,929	133	D
NH Collection Hamburg	Hamburg	City centre	Bioscore	F	NH Hotel Group	NH Collection	11,611	129	R
NH Frankfurt Airport	Frankfurt	Airport	Bioscore	RM	NH Hotel Group	NH	14,564	158	R
NH Munich Airport	Munich	Airport	Bioscore	RM	NH Hotel Group	NH	7,148	236	R
Pullman Cologne	Cologne	City centre		F	Accor	Pullman	22,492	275	R
Pullman Hotel Stuttgart Fontana	Stuttgart	City centre		F	Revo Hospitality Group	Pullman	13,666	252	R
Radisson Blu Hotel, Cologne	Cologne	Congress centre		RM	Radisson Hospitality	Radisson Blu	29,600	393	R
Scandic Nürnberg Central	Nuremberg	City centre		RM	Scandic	Scandic	14,795	311	R
Vienna House Easy by Wyndham Frankfurt Airport	Frankfurt	Airport		F	Revo Hospitality Group	Vienna House Easy	5,325	150	R

FACTS – TOTAL PANDOX PORTFOLIO

Rooms by country,
31 December 2025

- Sweden, 21%
- UK, 20%
- Germany, 20%
- Ireland, 12%
- Norway, 7%
- Finland, 6%
- Belgium, 6%
- Denmark, 4%
- Other, 3%

Rooms by demand type,
31 December 2025

- Domestic, 39.6%
- Regional, 38.2%
- International, 22.2%

Key

R	Revenue-based
RM	Revenue-based with guaranteed minimum rent
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FR	Franchise agreement
AM	Asset management agreement
D	Domestic
R	Regional
I	International

Hotel	City	Location	Environmental certification/ environmental management system	Type of agreement	Operator	Brand	Sq m	Number of rooms	Demand
UNITED KINGDOM									
England									
Clayton Hotel Chiswick, London	London	City centre	Green Tourism Gold	RM	Scandic	Clayton	17,528	227	I
Clayton Hotel City of London	London	City centre	Green Tourism Gold	RM	Scandic	Clayton	8,323	212	I
Clayton Hotel Leeds	Leeds	City centre	Green Tourism Gold	RM	Scandic	Clayton	20,140	334	D
Clayton Hotel London Wall	London	City centre	Green Tourism Gold	RM	Scandic	Clayton	5,721	89	I
Clayton Hotel Manchester Airport	Manchester	Airport	Green Tourism Gold	RM	Scandic	Clayton	17,834	365	R
Hilton London Heathrow Airport	London	Airport	ISO 14001, ISO 50001	R	Hilton	Hilton	25,090	398	I
Leonardo Hotel Bradford	Bradford	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	6,092	198	D
Leonardo Hotel Cheltenham	Cheltenham	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	6,416	122	D
Leonardo Hotel East Midlands Airport	East Midlands	Airport	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	7,869	164	D
Leonardo Hotel and Conference Venue Hinckley Island	Hinckley	Ring road	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	28,290	362	D
Leonardo Hotel Leeds	Leeds	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	13,615	248	D
Leonardo Hotel London Croydon	London	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	12,749	240	I
Leonardo Hotel Manchester	Manchester	City centre	Green Tourism Gold	RM	Fattal Hotel Group	Leonardo Hotels	10,160	265	R
Leonardo Hotel Middlesbrough	Middlesbrough	City centre	Green Tourism Bronze	RM	Fattal Hotel Group	Leonardo Hotels	8,625	132	D
Leonardo Royal Hotel Birmingham	Birmingham	City centre	Green Tourism Gold	RM	Fattal Hotel Group	Leonardo Royal	27,455	445	R
Leonardo Royal Hotel Brighton Waterfront	Brighton	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Royal	11,866	210	R
Leonardo Royal Hotel Oxford	Oxford	Ring road	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Royal	16,755	240	R
Leonardo Hotel Sheffield	Sheffield	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	11,600	259	D
Leonardo Hotel Swindon	Swindon	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	9,589	229	D
Maldron Hotel Finsbury Park, London	London	City centre	Green Tourism Gold	RM	Scandic	Maldron	7,817	191	I
Maldron Hotel Shoreditch, London	London	City centre	Green Tourism Gold	RM	Scandic	Maldron	6,053	157	I
The Midland Hotel, Manchester	Manchester	City centre	Green Tourism Bronze	RM	Fattal Hotel Group	Independent	34,500	312	R
Northern Ireland									
Clayton Hotel Belfast	Belfast	City centre	Green Tourism Gold	RM	Scandic	Clayton	20,121	170	D
Leonardo Hotel Belfast	Belfast	City centre	Green Tourism Bronze	RM	Fattal Hotel Group	Leonardo Hotels	13,023	270	D
Maldron Hotel Belfast City	Belfast	City centre	Green Tourism Gold	RM	Scandic	Maldron	9,018	237	D
Maldron Hotel Derry	Derry-Londonderry	City centre	Green Tourism Gold	RM	Scandic	Maldron	8,489	93	D
Scotland									
Aparthotel Adagio Edinburgh Royal Mile	Edinburgh	City centre		RM	Adagio	Aparthotel Adagio	8,720	146	R
Leonardo Royal Hotel Glasgow	Glasgow	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	14,645	321	R
Leonardo Hotel Inverness	Inverness	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	4,993	118	D
Wales									
Leonardo Hotel Cardiff	Cardiff	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	10,400	142	D

FACTS – TOTAL PANDOX PORTFOLIO

Rooms by location,
31 December 2025

Key

R	Revenue-based
RM	Revenue-based with guaranteed minimum rent
RP	Revenue-based and profit-based
P	Profit-based
F	Fixed
IP	International profit-based
M	Management agreement
FR	Franchise agreement
AM	Asset management agreement
D	Domestic
R	Regional
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Hotel	City	Location	Environmental certification/ environmental management system	Type of agreement	Operator	Brand	Sq m	Number of rooms	Demand
IRELAND									
Clayton Hotel Ballsbridge	Dublin	City centre	Green Tourism Gold	RM	Scandic	Clayton	18,597	334	I
Clayton Hotel Cardiff Lane	Dublin	City centre	Green Tourism Gold	RM	Scandic	Clayton	17,716	304	I
Clayton Hotel Cork City	Cork	City centre	Green Tourism Gold	RM	Scandic	Clayton	15,787	201	D
Clayton Hotel Dublin Airport	Dublin	Airport	Green Tourism Gold	RM	Scandic	Clayton	60,137	608	I
Clayton Hotel Galway	Galway	Ring road	Green Tourism Gold	RM	Scandic	Clayton	17,206	195	R
Clayton Hotel Leopardstown	Dublin	Ring road	Green Tourism Gold	RM	Scandic	Clayton	25,022	357	I
Clayton Hotel Liffey Valley	Dublin	Ring road	Green Tourism Gold	RM	Scandic	Clayton	30,439	351	I
Clayton Hotel Limerick	Limerick	City centre	Green Tourism Gold	RM	Scandic	Clayton	16,747	158	D
Clayton Hotel Silver Springs, Cork	Cork	City centre	Green Tourism Gold	RM	Scandic	Clayton	12,253	109	D
Clayton Hotel Sligo	Sligo	City centre	Green Tourism Gold	RM	Scandic	Clayton	18,266	162	D
Leonardo Hotels Cork	Cork	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	4,708	133	D
Leonardo Hotels Dublin Christchurch	Dublin	City centre	Green Tourism Bronze	RM	Fattal Hotel Group	Leonardo Hotels	6,475	182	I
Leonardo Hotels Galway	Galway	City centre	Green Tourism Silver	RM	Fattal Hotel Group	Leonardo Hotels	5,107	130	R
Maldron Hotel Kevin Street	Dublin	City centre	Green Tourism Gold	RM	Scandic	Maldron	5,956	137	I
Maldron Hotel Limerick	Limerick	City centre	Green Tourism Gold	RM	Scandic	Maldron	16,758	142	D
Maldron Hotel Merrion Road	Dublin	City centre	Green Tourism Gold	RM	Scandic	Maldron	8,632	140	I
Maldron Hotel Newlands Cross	Dublin	Ring road	Green Tourism Gold	RM	Scandic	Maldron	15,584	297	I
Maldron Hotel Parnell Square	Dublin	City centre	Green Tourism Gold	RM	Scandic	Maldron	8,001	182	I
Maldron Hotel Pearse Street	Dublin	City centre	Green Tourism Gold	RM	Scandic	Maldron	7,339	126	I
Maldron Hotel Portlaoise	Portlaoise	Ring road	Green Tourism Gold	RM	Scandic	Maldron	5,955	90	D
Maldron Hotel Sandy Road, Galway	Galway	Ring road	Green Tourism Gold	RM	Scandic	Maldron	12,519	165	D
Maldron Hotel Shandon Cork City	Cork	City centre	Green Tourism Gold	RM	Scandic	Maldron	8,126	101	D
Maldron Hotel South Mall, Cork	Cork	City centre	Green Tourism Gold	RM	Scandic	Maldron	9,656	163	D
Radisson Blu Dublin Airport	Dublin	Airport		RM	Radisson Blu	Radisson Blu	13,182	229	I
OTHER									
Belgium									
Citybox Brussels	Brussels	City centre		RM	Citybox	Citybox	9,248	246	I
NH Brussels EU Berlaymont	Brussels	City centre	Green Key, Bioscore	RM	NH Hotel Group	NH	10,827	214	I
nhow Brussels Bloom	Brussels	City centre	Bioscore	R	NH Hotel Group	NH	26,963	305	I
Numa Brussels Royal Galleries	Brussels	City centre	Green Key, BREEAM In-Use Very Good	F	Numa	Numa	4,650	100	I
Netherlands									
Park Centraal Amsterdam	Amsterdam	City centre	EarthCheck Certified, Ecostars	RM	Grand City Hotels	Independent	10,811	189	I
Switzerland									
Radisson Blu Hotel, Basel	Basel	City centre	Green Key	RM	Radisson Hospitality	Radisson Blu	19,493	206	R
Austria									
NH Collection Salzburg City	Salzburg	City centre	Bioscore	RM	NH Hotel Group	NH Collection	7,301	140	R
NH Vienna Airport	Vienna	Airport	Bioscore	RM	NH Hotel Group	NH	22,208	499	I

Key

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OWN OPERATIONS

Hotel	City	Location	Environmental certification/ environmental management system	Type of agreement	Operator	Brand	Sq m	Number of rooms	Demand
BELGIUM									
Crowne Plaza Antwerp	Antwerp	Ring road	Green Key, IHG Green Engage, SafeGuard, BREEAM In-Use Very Good	FR	Pandox	Crowne Plaza	18,340	262	D
DoubleTree by Hilton Brussels City	Brussels	City centre	Green Key, IHG Green Engage, SafeGuard	FR	Pandox	Hilton	28,095	354	I
Hilton Grand Place Brussels	Brussels	City centre	Green Key, ISO 14001, ISO 50001, Green Tourism, BREEAM In-Use Very Good	FR	Pandox	Hilton	22,186	236	I
Holiday Inn Brussels Airport	Brussels	Airport	Green Key, IHG Green Engage, BREEAM In-Use Very Good	FR	Pandox	Holiday Inn	21,072	310	I
Hotel Indigo Brussels – City	Brussels	City centre	Green Key, SafeGuard, BREEAM In-Use Very Good	FR	Pandox	Indigo	13,850	284	I
The Hotel Brussels	Brussels	City centre	Green Key, BREEAM In-Use Very Good	IP	Pandox	Independent	35,612	422	I
FINLAND									
Hotel Korpilampi, Espoo	Espoo	Resort	Green Key, BREEAM In-Use Very Good	IP	Pandox	Independent	12,918	160	D
NETHERLANDS									
Novotel Den Haag World Forum	The Hague	Congress centre	Green Key	M	Grape Hospitality	Novotel	10,500	216	R
UNITED KINGDOM									
England									
DoubleTree by Hilton Bath	Bath	City centre	Green Tourism (certification in progress)	M	Axiom Hospitality	DoubleTree by Hilton	7,266	176	R
Hilton Garden Inn London Heathrow Airport	London	Airport	Green Key, BREEAM In-Use Very Good	M	Axiom Hospitality	Hilton Garden Inn	14,733	364	I
Residence Inn by Marriott London Bridge	London	City centre	Green Tourism, Green Key	M	Axiom Hospitality	Residence Inn by Marriott	4,664	87	I
Residence Inn by Marriott London Kensington	London	City centre	Green Tourism, ECOsmart, Green Key	M	Axiom Hospitality	Residence Inn by Marriott	15,186	315	I
Residence Inn by Marriott Tower Bridge	London	City centre	Green Tourism, ECOsmart, Green Key	M	Axiom Hospitality	Residence Inn by Marriott	7,046	101	I
The Queens Hotel, Leeds	Leeds	City centre	Green Tourism (certification in progress)	M	Axiom Hospitality	Independent	20,159	232	D
Northern Ireland									
Hilton Belfast	Belfast	City centre	Green Tourism (certification in progress)	M	Axiom Hospitality	Hilton	14,870	202	D
Scotland									
Radisson Blu Hotel, Glasgow	Glasgow	City centre	Green Tourism Silver, BREEAM In-Use Very Good	M	Axiom Hospitality	Radisson Blu	20,261	247	R
DoubleTree by Hilton Edinburgh City Centre	Edinburgh	City centre	Green Tourism, ISO 14001, ISO 50001	M	Axiom Hospitality	Hilton	9,703	138	R
GERMANY									
Holiday Inn Lübeck	Lübeck	Ring road	Green Key, BREEAM In-Use Very Good	FR	Pandox	Holiday Inn	7,022	159	D
Hotel Berlin, Berlin	Berlin	City centre	Green Key, BREEAM In-Use Very Good	IP	Pandox	Independent	42,610	701	I
Novotel Hannover	Hannover	City centre	Green Key, SafeGuard, BREEAM In-Use Very Good	M	Grape Hospitality	Novotel	13,048	205	D
Radisson Blu Hotel, Bremen	Bremen	City centre	Green Key, BREEAM In-Use Very Good	FR	Pandox	Radisson Blu	21,000	235	D
Radisson Blu Hotel, Dortmund	Dortmund	Congress centre	Green Key, BREEAM In-Use Very Good, SafeGuard	FR	Pandox	Radisson Blu	9,100	190	D
						Total square metres:	2,590,509		

EXTERNAL MANAGEMENT AGREEMENTS

Hotel	City	Location	Environmental certification/ environmental management system	Type of agreement	Operator	Brand	Sq m	Number of rooms	Demand
BAHAMAS									
Pelican Bay, Grand Bahama Island [1]	Lucaya	Resort		AM	Sundt AS	Independent	NM	186	

[1] Owned by Sundt AS, a related party of Helene Sundt AS and CGS Holding AS, a principal shareholder in Pandox. Pandox is paid based on a percentage of the hotel's revenues.

PANDOX'S OWN BRANDS

31 December 2025

The Hotel. BRUSSELS

Hotel Berlin, Berlin

HOTEL mayfair

HOTELLI KORPILAMPI

Key

R	Revenue-based
RM	Revenue-based with guaranteed minimum rent
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R	Regional
I	International

PULLMAN COLOGNE
COLOGNE

HOTELISM BY PANDOX

Governance

Pandox is a Swedish public limited company, which means that its corporate governance is based primarily on the rules set out in the Swedish Companies Act and on internal instructions and policies. Pandox follows the Swedish Corporate Governance Code and the Nasdaq Rule Book for Issuers.

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Strategic acquisition and long-term strength

Dear shareholders,

Pandox celebrated 30 years in 2025. It has been an exciting and profitable journey across three decades. In many respects, 2025 was also a typical Pandox year of high business activity in a growing hotel market.

The main event of the year was the Dalata acquisition – the largest in Pandox's history. This was a strategic milestone, contributing to considerable growth in cash earnings per share, strengthening our position as Europe's leading hotel property owner and creating new growth opportunities in profitable hotel markets.

The acquisition was carried out in close cooperation with Scandic, one of our most valuable partners, and confirms the strength of Pandox's business model: specialisation, scale, network and world-class employees.

The transaction is also an example of how Pandox can create value through our ability to rapidly seize business opportunities, including in complex international environments. I want to express my heartfelt gratitude to all Pandox employees who have helped to make this happen. A special thank you also goes to DNB Carnegie and Swedbank for strong support on the financing side – an important factor in our ability to act quickly and resolutely in a competitive international market.

Active portfolio strategy and intensified sustainability efforts

In addition to the Dalata acquisition, in 2025 we carried out three add-on acquisitions in attractive markets, while also optimising our portfolio through divestment of three smaller hotel properties. It is important to release resources over time from properties where the return is limited, and to invest this capital in properties and projects with greater potential.

We regard sustainability as a long-term competitive advantage. By integrating sustainability into our business model we are creating value for shareholders, tenants, hotel guests and communities. During the year we intensified our efforts to reduce carbon emissions in line with our SBTi targets. The focus has been on taking concrete action in the hotel properties, such as investment in heat pumps and solar panels, energy mapping and increasing the percentage of sustainability-linked loans. Through these initiatives we will reduce our environmental footprint, improve the profitability of our hotel properties and create greater financial sustainability and flexibility over time.

Multifaceted board duties

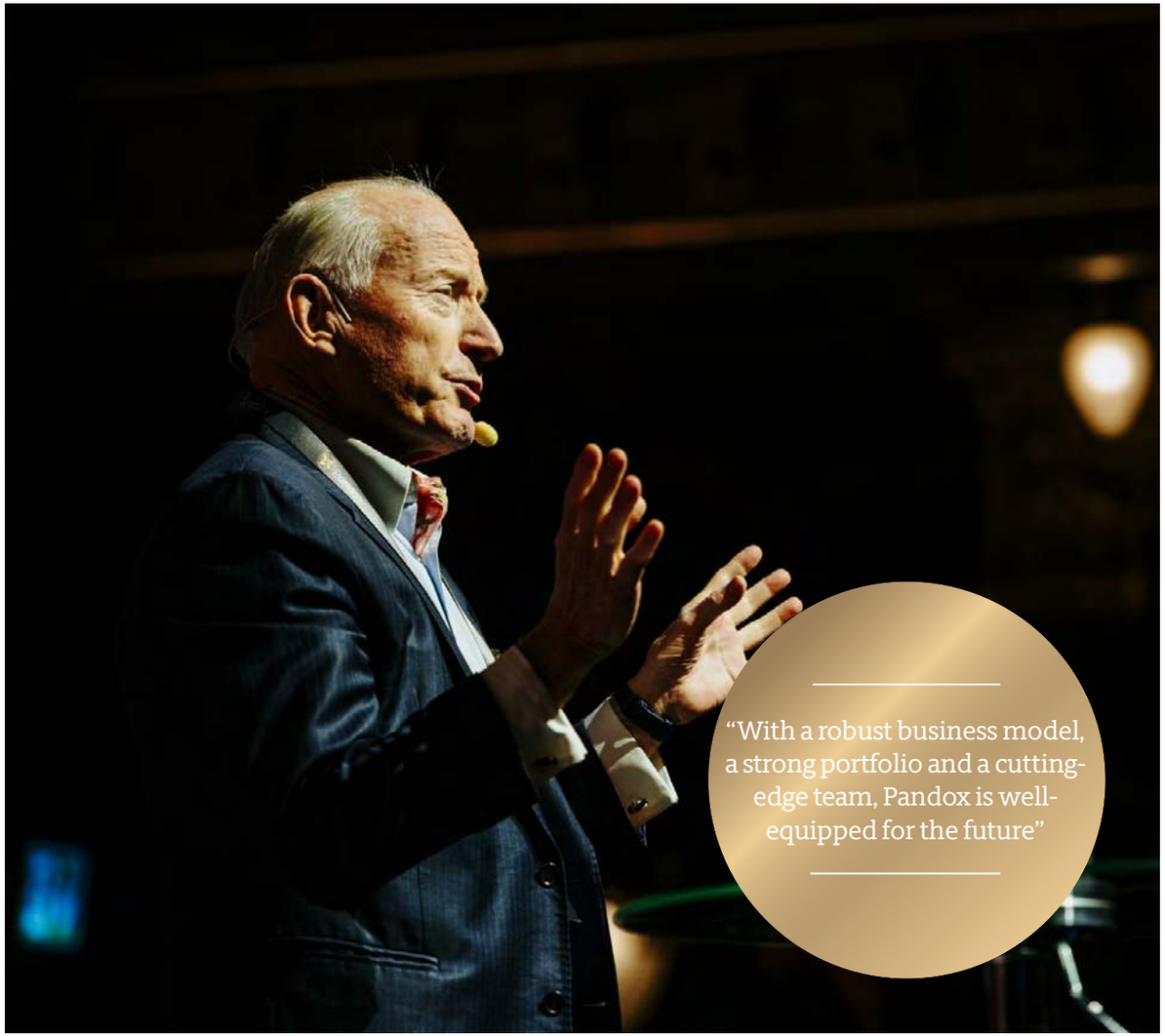
This year has been intense for the Board of Directors who focused on strategic decisions, risk management and sustainability. The Dalata acquisition was of course very time-consuming but we also dealt with a series of other matters, including the annual strategy review. Past external board evaluations confirm that our Board has the right mix of experience, and is functioning effectively and professionally. During the year Pandox's Nomination Committee worked on recruiting an additional board member and I am happy that Linda Eriksson will be proposed for election at the Annual General Meeting in April. Linda will add to the Board's expertise and perspectives.

Good total return, stable outlook, raised dividend

The total return on Pandox shares was around 8 percent in 2025. With a robust business model, a strong portfolio and a cutting-edge team, Pandox is well-equipped for the future. I am optimistic about the hotel market and see good opportunities for value creation through acquisitions and investments, as well as divestments when the price is right. In 2026 the Dalata acquisition will contribute significantly to cash earnings per share and I am glad that the Board will also be able to propose an increase in the dividend to SEK 4.50 (4.25) per share, equivalent to around MSEK 876 (827), for the past year.

I would like to conclude by thanking all Pandox employees for their efforts during the year. I would also like to thank our shareholders, business partners, banks, investors and other stakeholders for their interest and confidence in us.

Oslo, March 2026
Christian Ringnes



Corporate Governance Report

Pages 73–80 constitute the Company's Corporate Governance Report and have not been audited by the Company's auditor.

Good corporate governance is about ensuring that a company is managed as responsibly and efficiently as possible on behalf of the shareholders. Corporate governance determines how rights and responsibilities are distributed among a company's various bodies in accordance with internal processes and the laws and regulations in effect. Pandox AB (publ) is a Swedish public limited company headquartered in Stockholm with shares listed on Nasdaq Stockholm. Corporate governance within Pandox is based on Swedish laws, the Articles of Association, the Nasdaq Rule Book for Issuers and the Swedish Corporate Governance Code ("the Code"). The Code is available at www.corporategovernanceboard.se and describes good practices in the stock market. Pandox complies with the Code with no deviations.

In 2025 no breaches of applicable stock market rules or of good practices in the stock market were reported by Nasdaq Stockholm's Disciplinary Committee or by the Swedish Securities Council in relation to Pandox.

SHAREHOLDERS AND THE SHARE

The Pandox class B share was listed on Nasdaq Stockholm on 18 June 2015 in the Large Cap segment. The Company's share capital amounted to SEK 486,507,500 as of 31 December 2025, distributed among 75,000,000 class A shares and 119,603,000 class B shares. Each class A share entitles the holder to three votes at shareholders' meetings, while each class B share entitles the holder to one vote at shareholders' meetings.

Pandox's Articles of Association contain a conversion clause and a pre-emption clause for Pandox's class A shares. All class B shares are transferable without restriction.

At the end of 2025 the following shareholders had direct or indirect ownership representing 10 percent or more of the voting rights for all shares in the Company:

Holding on 31 December 2025	% of votes
Eiendomsspar AS	36
Helene Sundt AB	17
Christian Sundt AB	16

At year-end the Company's market capitalisation, calculated for both class A and class B shares, amounted to MSEK 39,504 (37,325).

SHAREHOLDERS' MEETING

The shareholders' meeting is Pandox's highest decision-making body, where the shareholders are entitled to make decisions on Pandox's affairs. Decisions at a shareholders' meeting are normally taken by simple majority, i.e. with the support of half of the votes cast at the meeting. In certain matters, however, Sweden's Companies Act requires proposals to be approved by a greater share of the votes. According to the Articles of Association, notice of shareholders' meetings is to be issued through an announcement in Post- och Inrikes Tidningar (Sweden's official gazette) and published on Pandox's website, pandox.se. An announcement is also to be placed in the Swedish national daily newspaper Svenska Dagbladet, to inform the public that a notice has been issued.

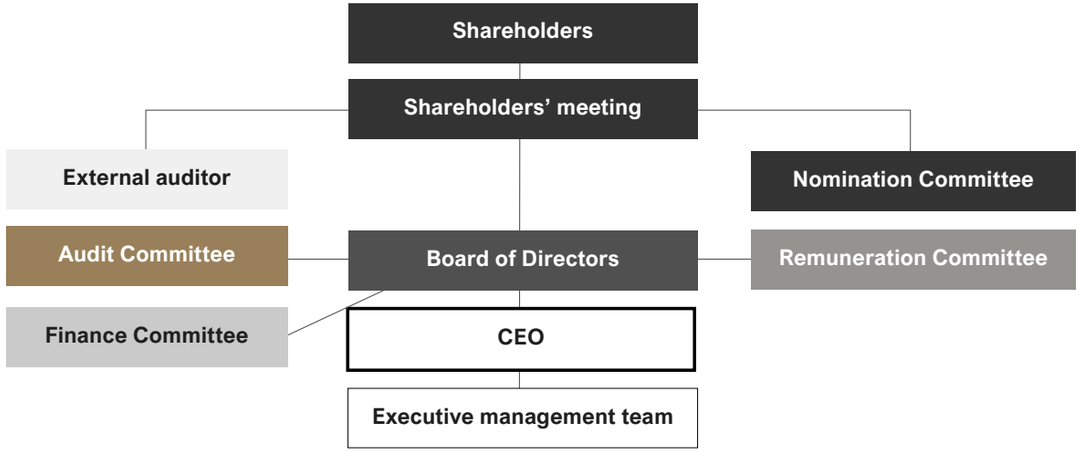
Once the date and location of the shareholders' meeting has been established, the details are to be published on Pandox's website no later than in connection with the third quarter interim report. The 2026 AGM will be held in Stockholm on 15 April 2026.

Annual General Meeting 2025

Pandox's last Annual General Meeting took place on 9 April 2025 in Stockholm. At the 2025 AGM, resolutions passed included the following:

- Adoption of the income statement and balance sheet, and of the consolidated income statement and consolidated balance sheet
- Appropriation of the Company's profit according to the adopted balance sheet and that no dividend be paid to shareholders

Overall corporate governance structure



- Re-election to the Board of Christian Ringnes (Chair), Jakob Iqbal, Jon Rasmus Aurdal, Bengt Kjell, Jeanette Dyhre Kvisvik, and Ulrika Danielsson.
- Ann-Sofi Danielsson declined re-election.
- Fees for the Board: SEK 925,000 to the Chair, SEK 707,000 to the Vice Chair and SEK 487,000 to each of the other members
- Fees for the Audit Committee: SEK 180,000 for the chair of the Audit Committee and SEK 90,000 to each of the other members
- Fees for the Remuneration Committee: SEK 54,000 to be paid to the two members of the committee
- Fees for the Finance Committee: SEK 170,000 to the chair of the committee and SEK 85,000 each to the other two members of the committee
- Re-election of auditor: accounting firm PwC with Sofia Götmar-Blomstedt as auditor-in-charge
- Authorisation for the Board of Directors to issue new shares amounting to a maximum of 10 percent of the total number of shares outstanding
- Approval of remuneration report
- Adoption of principles for appointing the Nomination Committee in advance of the 2026 Annual General Meeting

The full minutes of shareholders' meetings are available on Pandox's website.

BOARD OF DIRECTORS

Pandox's Board of Directors is responsible for the Company's administration and organisational structure. This includes the following:

- Establishing Pandox's overall objectives and strategies
- Appointing, evaluating and, if necessary, dismissing the CEO
- Ensuring effective monitoring and control systems for Pandox's business

- Ongoing evaluation of performance and financial position
- Ensuring that the annual reports and interim reports are correct, reliable and relevant

Board members are elected at the AGM for the period until the conclusion of the following AGM. According to Pandox's Articles of Association, the Board of Directors, to the extent it is elected by the shareholders' meeting, is to consist of at least four and not more than eight members with no deputies.

The Chair of the Board of Pandox is elected by the AGM. The Chair is responsible for ensuring that the Board's work is well-organised and efficient.

The Board works according to written work procedures which are revised annually and adopted at the statutory board meeting. The work procedures regulate, among other things, types of meetings, functions and the distribution of duties between the board members and the CEO. In conjunction with the statutory meeting the Board also adopts instructions for the CEO as well as instructions for financial reporting.

The Board holds meetings based on a schedule established annually, normally aligned with Pandox's strategy and budget process as well as the Company's financial calendar. Additional board meetings may be convened to manage time-critical issues that require board decisions, such as on acquisitions, divestment and raising capital.

For a presentation of the board members, see page 78.

Work of the Board of Directors

The Board held 14 meetings during the year, one of which was the statutory meeting. At the statutory board meeting Bengt Kjell was re-elected as Vice Chair of the Board.

The Board regularly conducts an evaluation of its work methods and procedures to ensure that the Board has the requisite expertise and efficient processes for good decisions. The result of the evaluation is reported to the Nomination Committee and provides substantive information on which the Committee can base its work. The Board has determined that the members have appropriate and complementary expertise taking into account Pandox's operations, and this opinion is shared by the Nomination Committee.

The Board has clear guidelines on how to avoid conflicts of interest. These are described in the document containing the work procedures for the Board and cover topics such as the secrecy obligation, the loyalty obligation, disqualification and insider trading. The stakeholders are informed of any conflicts of interest in the Annual Report. No cases of conflicts of interest were discovered in 2025.

In the area of sustainability, feedback is provided to the Board through an annual oral presentation by the SVP, Director of Sustainable Business. In 2025 the Board was in particular involved in updating the double materiality assessment. From 2024 the SVP, Director of Sustainable Business has had a standing sustainability item on the agenda at Audit Committee's meetings.

The Nomination Committee applied rule 4.1 of the Code as a diversity policy when preparing its proposal for the Board of Directors, the objective being for the Board to be composed of members of varying ages, genders and geographical origins, and to represent a range of educational and professional backgrounds.

Two of the six members of Pandox's Board are women. The Nomination Committee has determined that the Board of Directors meets the requirements of the Code concerning independence.

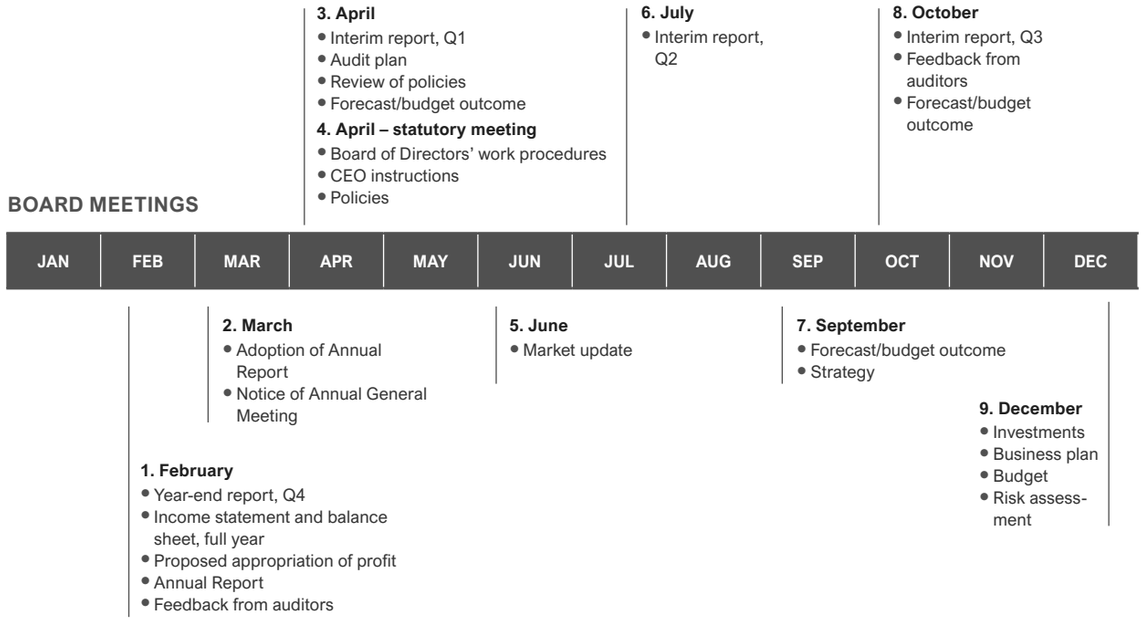
Audit Committee

On 9 April 2025 Pandox appointed an Audit Committee consisting of Ulrika Danielsson (chair), Jeanette Dyhre Kvisvik and Jon Rasmus Aurdal. The Audit Committee's duties, without affecting the Board's general responsibilities and duties, include overseeing Pandox's financial reporting and the efficiency of Pandox's internal control and risk management, staying informed about the audit of the annual accounts and consolidated accounts, reviewing and monitoring the auditor's impartiality and independence, and paying particular attention when the auditor provides Pandox with services other than audit services, as well as assisting in drafting proposals for the election of auditors at the AGM. The Audit Committee also examines the Annual Report and interim reports and oversees the audit. The Audit Committee does not perform any auditing tasks.

During the year the Audit Committee examined Pandox's external financial reporting, and also analysed and assessed Pandox's economic, financial and reporting risks on an ongoing basis with a particular focus on revenue, profit, property valuation, financial position and sustainability work.

Board duties, normal annual cycle

other than standing items such as status report, investment decisions, liquidity and financing



Within the framework of sustainability, the Audit Committee has focused in particular on the Company's compliance with the Corporate Sustainability Reporting Directive (CSRD). This has included reviewing identified sustainability-related risks, the Company's climate transition plan and its implementation, and how Pandox is further developing processes, governance and internal control linked to sustainability reporting.

The Audit Committee also continued to deal with matters relating to internal control, in terms of structure, tools, organisation and self-assessment. The assessment is that Pandox's work on risk and control was strengthened further through improved procedures, controls and systems, and support provided by the Finance Committee (see below).

In 2025 the Audit Committee held seven meetings at which minutes were kept and reported to the Board of Directors.

Remuneration Committee

Pandox has a Remuneration Committee consisting of two members: Christian Ringnes (chair) and Jakob Iqbal.

Remuneration Committee duties:

- Preparing for board decisions on remuneration principles and on remuneration and other employment terms for the executive management team.
- Monitoring and evaluating ongoing programmes and programmes concluded during the year for variable remuneration to the executive management team.
- Monitoring and evaluating the application of remuneration guidelines for senior executives that were approved by

the AGM, and the applicable remuneration structures and compensation levels within the Company.
- Reviewing and preparing proposals on all share-related incentive schemes to put before the executive management team.

During the year the Remuneration Committee paid special attention to matters relating to salaries and other remuneration for the CEO and executive management team. In addition, any matters concerning incentive schemes for key individuals at Pandox were addressed.

In 2025 the Remuneration Committee held two meetings for which minutes were kept and reported to the Board of Directors.

Finance Committee

On 9 April 2025 the Board appointed a Finance Committee consisting of board members Bengt Kjell (chair), Christian Ringnes and Jon Rasmus Aurdal. Pandox's executive management has the right to participate in discussions but not in decisions and was represented at the Committee's meetings by the CEO and CFO, among others. The Committee discusses matters of particular significance for Pandox's financial position, such as refinancing of bank loans, interest rate hedging and the fulfilment of conditions in credit agreements. Experience of the Finance Committee's work has been good and the Board has again proposed that the Nomination Committee reviews the need for a Finance Committee again in 2026, and that if established the Board members concerned are paid fees at the same level as for the Audit Committee.

In 2025 the Finance Committee held five meetings at which minutes were kept and reported to the Board of Directors.

Chief Executive Officer and other senior executives

The Chief Executive Officer (CEO) reports to the Board of Directors and is responsible for Pandox's day-to-day administration and operations. The allocation of duties between the board members and the CEO is described in Pandox's work procedures for the Board and instructions for the CEO. Actions that are of an extraordinary nature or that are particularly significant are not considered part of the day-to-day administration and the CEO must prepare information on them and present this to the Board of Directors. The CEO is also responsible for preparing reports and compiling information in advance of board meetings and for reporting at the board meetings. According to the financial reporting instructions, the CEO is responsible for Pandox's financial reporting and must ensure that the Board receives sufficient information from which to evaluate Pandox's financial position at all times.

The CEO is to keep the Board continuously informed about Pandox's performance in terms of revenue and earnings, financial position, liquidity and credit status, important business events, and about every other event, circumstance or situation that may be assumed to be of material importance for Pandox's shareholders.

Audit

Pandox's auditors are appointed by the shareholders' meeting and are to examine the Company's Annual Report and accounting records as well as the administration of the Company by the Board and the CEO. After each financial year, the auditor must submit an audit report for Pandox's Parent Company and the Pandox Group to the Annual General Meeting. The auditors are appointed by and report to the shareholders' meeting and are not to allow themselves to be influenced in their work by Pandox's Board or executive management team.

The auditors are also responsible for reporting on any instance where a board member or the CEO has been guilty of negligence or has acted in a way that may result in compensation liability.

According to Pandox's Articles of Association, Pandox is to have two auditors and two deputy auditors or one authorised accounting firm as auditor. At the request of the Audit Committee, in 2017 Pandox carried out an auditor procurement process which resulted in the Nomination Committee's proposal to elect the accounting firm of PwC as the Company's new auditor, and this was approved at the 2017 AGM. The 2025 AGM re-elected PwC, with authorised public accountant Sofia Götmar-Blomstedt as the auditor-in-charge.

Pandox's auditor is presented in more detail on page 78.

The Board of Directors meets with Pandox's external auditors, without executive management being present, at least once a year to receive and address the auditors' opinions.

IMPORTANT POLICIES AND CODES

	Contents
Financial Policy	Principles and rules for financial activity
Insider Policy	Rules and guidelines for managing insider information
Internal and External Privacy Policy	Rules and information on Pandox's processing of personal data
IT and Data Security Policy	Principles and rules for how IT activities are to be conducted and data security ensured
Communication Policy	Principles and rules for internal and external communication
Environmental Policy	Rules and guidelines for Pandox's environmental responsibilities
Code of Conduct for Business Partners	Principles and requirements relating to Pandox's business partners
Code of Conduct for Employees	Principles and requirements relating to Pandox's employees
Anti-Corruption Policy	Principles and requirements relating to Pandox's employees and anti-corruption measures
Human Rights Policy	Pandox's principles and requirements relating to human rights
Guidelines for Whistleblower Service	Describes how employees and external stakeholders can report suspected irregularities
Guidelines for Crisis Communication	Describes how Pandox communicates internally and externally in crisis situations

PANDOX'S BOARD OF DIRECTORS AND COMMITTEES IN 2025

		Attendance at meetings					
Name	Fees, SEK 000s	Board of Directors	Audit Committee	Remuneration Committee	Finance Committee	Independent of the Company[1]	Independent of owners[2]
Christian Ringnes, Chair	1,064	12 of 14		2 of 2	5 of 5	Yes	No
Jakob Iqbal	541	12 of 14		2 of 2		Yes	No
Jon Rasmus Aurdal	662	11 of 14	7 of 7		5 of 5	Yes	No
Ann-Sofi Danielsson [3]	–	2 of 2	2 of 2			–	–
Bengt Kjell, Vice Chair	877	13 of 14			5 of 5	Yes	Yes
Jeanette Dyhre Kvisvik	577	14 of 14	5 of 5 [4]			Yes	Yes
Ulrika Danielsson	667	14 of 14	7 of 7			Yes	Yes

[1] Independent in relation to the Company and the executive management team.
[2] Independent in relation to the Company's major shareholders.
[3] Declined re-election at the 2025 AGM
[4] Elected to the committee at the 2025 AGM

The Audit Committee also meets the auditors on a regular basis to be informed about and address their opinions on the interim reports and the Annual Report, the results of the auditor's scrutiny of internal control over financial reporting and to address other issues.

Pandox has no specific internal audit department. The Board examines the need for such a department on an annual basis. Based on the Audit Committee's assessment, the Board has decided not to establish a specific internal audit department. The Board judges that the established financial processes for monitoring and evaluation of controls that take place within the Group's accounting department ensure that sufficient reliability is achieved in the financial reporting without an independent internal audit department.

Nomination Committee

The Nomination Committee is a body of the shareholders' meeting and is responsible for submitting proposals for the election of the Chair and other members of the Board, as

well as on fees and other remuneration for board assignments for each of the board members. The Nomination Committee is also to provide proposals for the election and compensation of auditors in consultation with the Audit Committee, as well as for the Nomination Committee's composition and how it is convened.

In accordance with a decision at Pandox's 2025 AGM, the Nomination Committee, in preparation for the 2026 AGM, is to consist of the Chair of the Board and members appointed by the four largest shareholders in terms of voting rights as of 31 July 2025, according to the register of shareholders kept by Euroclear Sweden. The Chair of the Board of Pandox AB is also responsible for convening the first meeting of the Nomination Committee. If a shareholder with the right to appoint a member of the Nomination Committee relinquishes that right, the right to appoint a member is transferred to the largest shareholder who has not previously had the right to appoint a member of the Nomination Committee. Helene Sundt AB and Christian Sundt AB are represented by the same member of the Nomination Committee. The member appointed by the largest shareholder in terms of voting rights is to be appointed as chair of the Nomination Committee. The composition of the Nomination Committee is to be announced no later than six months before the next AGM. No fees are payable.

On 9 September 2025 Pandox announced that the Nomination Committee had been appointed in accordance with principles adopted by the AGM and consisted of the following:

- Anders Ryssdal, Eiendomsspar AB (Nomination Committee chair)
- Christian Ringnes, Chair of the Board of Pandox AB
- Leiv Askvig, Helene Sundt AB and Christian Sundt AB jointly
- Dick Bergqvist, AMF
- Camilla Wirth, Alecta

When preparing its proposal for the election of the Board of Directors the Nomination Committee applies what is stated in section 4.1 of the Swedish Corporate Governance Code as a diversity policy and as its objectives in this regard.

Shareholders wishing to submit proposals to the Nomination Committee may do so by email to valberedningen@pandox.se or by post to Pandox AB, Valberedning, PO Box 15, SE-101 20 Stockholm.

The Nomination Committee's proposals to the 2025 AGM are:

- Proposal for election of members of the Board of Directors
- Proposal for election of auditor
- Principles for appointing the Nomination Committee in advance of the 2025 Annual General Meeting

The Nomination Committee's proposals have been published in the notice of the 2026 AGM and on Pandox's website. The AGM will be held on 15 April 2026 in Stockholm.

INTERNAL CONTROL AND FINANCIAL REPORTING

According to the Swedish Companies Act and the Code, Pandox's Board of Directors is responsible for the Company's internal control. This report has been prepared in accordance with the Annual Accounts Act and the Code and is mainly intended to describe internal control and risk management with respect to financial reporting.

The framework used as a basis for Pandox's work on and description of internal governance and control is COSO, the Committee of Sponsoring Organizations of the Treadway Commission. COSO provides a structure for internal control based on five components: control environment, risk assessment, control activities, monitoring activities, and information and communication.

Control environment

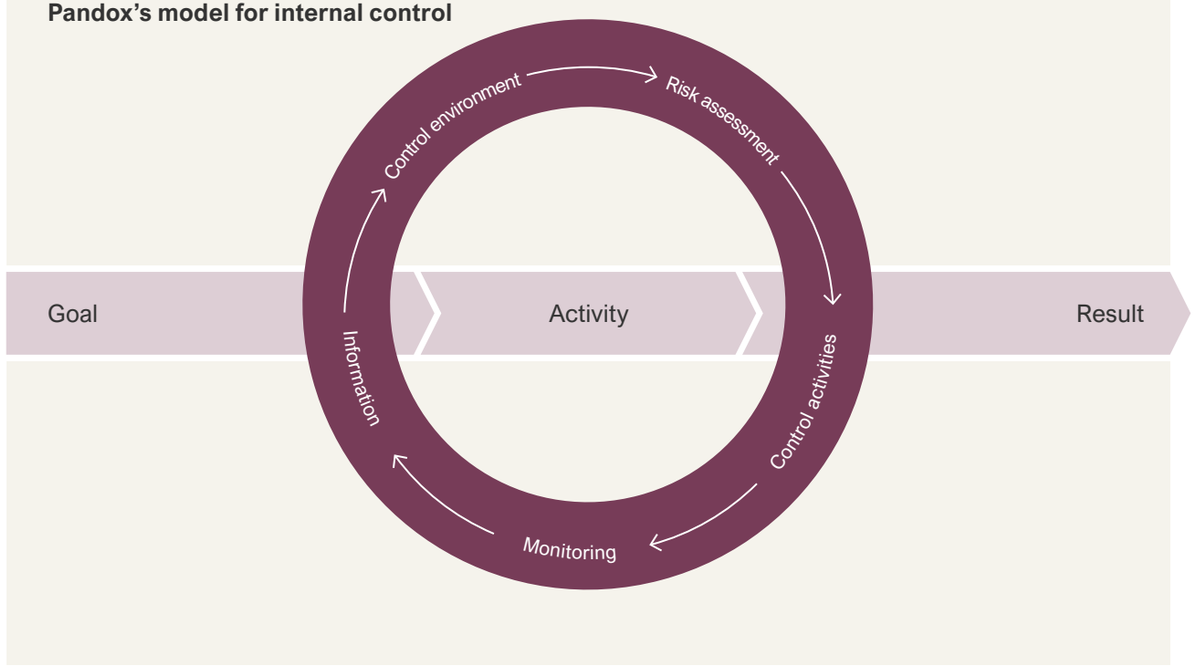
The Board of Directors has overall responsibility for ensuring good internal control and effective risk management. Every year the Board of Directors adopts work procedures that define the Board's responsibilities and the distribution of duties among the board members. The Board exercises its control primarily by annually adopting policy documents, CEO instructions, delegation rules, instructions for financial reporting, business targets and strategies, as well as business plans and a budget.

The control environment provides a basis for good internal control over financial reporting. Pandox works continually to define, document and adapt an organisational structure, decision paths, responsibilities and powers that strengthen Pandox's corporate culture and control environment.

Risk assessment

See the section on risk on pages 81–85 and the sustainability report from page 92.

Pandox's model for internal control



Risk assessment with respect to financial reporting involves identifying the procedures and income statement and balance sheet items in which there is a risk that errors, incomplete information or irregularities may arise if there is insufficient control built into the routines. Risk assessment includes analysing whether any errors could occur and if so, how they may occur and in which part of the process. Pandox's risk assessment has identified items where the risk of significant errors is the highest. These are items involving substantial transactions or where the processes are highly complex and require strong internal control.

An assessment of the risk of errors in financial reporting is performed annually for each line in the income statement, statement of financial position and cash flow statement. For items that are significant and/or associated with an elevated risk of errors, special procedures are employed to minimise the risks. The three main areas of risk are:

- Property valuation
- Financing activities
- Investment and renovation programmes

Pandox has a well-established operational risk model (the Pandox Method). It is used to evaluate and document identified risks associated with the hotel properties and is an important part of Pandox's overall work on risk. Based on an individual business plan for each hotel property, it creates the conditions for increased cash flow and lower risk. The risk model also provides knowledge that can be beneficial when pursuing business opportunities.

The four parts of the Pandox Method are:
- Market analysis
- Marketing strategy
- Profitability optimisation
- Agreement optimisation

There is an individual business plan for each hotel property. Twice a year a review of all the hotels and properties is performed and the business plan is updated based on the Pandox Method. Recurring operational risk areas are revenue/occupancy, property operation/maintenance, lease issues and investments. The most significant risks are documented in a "Hot Pile" and, where relevant, are followed up at monthly executive management meetings. Topics discussed at the meetings include any impact from macroeconomic forces, the hotel market cycle, geographic exposure and operator/brand exposure, hotel demand, supply of new capacity, competitors etc.

Further information on property valuation can be found on pages 153–155.

In its role as an active hotel property owner, Pandox, in cooperation with its lease partners, makes every effort to identify joint investment and renovation programmes to ensure that the hotels are competitive and play a part in increasing cash flow. Pandox takes a long-term perspective and has a structured process for managing, implementing and following up on investments. Pandox normally works according to three- to five-year maintenance plans and also implements specific projects for cash flow-driving investments. For investments exceeding MSEK 10, a memorandum is submitted to the Board for approval. An investment budget is established every year in connection with the preparation of the budget and business plan, which is adopted by the Board of Directors and adjusted on a quarterly basis. The outcome of the investments is monitored in relation to the budget and reported to the Board.

Interest expense is Pandox's largest expense item. Interest expense is affected by market interest rates and by credit institution margins, as well as by Pandox's strategy with respect to fixed interest rates. With a fairly high proportion of loans in foreign currency, interest expense is also affected by fluctuation in exchange rates.

The majority of Pandox's credit facilities have a variable rate of interest. In order to manage interest rate risk and increase the predictability of Pandox's earnings, interest rate derivatives are used; these are mainly interest swaps.

Variable interest rates are partially swapped through interest rate swaps, giving Pandox fixed interest rates. Pandox's Board establishes the risk mandate. The risk mandate is reflected in Pandox's Financial Policy and ensures that the Company has access to long-term financing. The Financial Policy is updated annually by the Board of Directors. Pandox works closely with its lenders and external experts to ensure that the Company plans well in advance with respect to its financing requirements.

In connection with Pandox's annual strategy and budgetary work the executive management team presents a chart of the Group's top risks to the Board of Directors.

Control activities

To avoid errors, a number of control activities have been implemented to ensure that control objectives are achieved. Pandox's most important financial processes, such as closing the accounts, consolidation, monitoring results and reporting, have been documented in a Financial Handbook. The control measures involve guaranteeing the quality of financial reporting.

All of the key controls implemented by the Group companies in respect of financial reporting are documented in a self-assessment template used to report to the corporate level. The self-assessment template is monitored, adapted and evaluated at the corporate level, thereby strengthening the control environment within the Group.

The CFO and the Business Intelligence and Group Accounting & Control departments are all responsible for creating the environment required to achieve transparent and accurate financial reporting. Pandox's executive management and the Board also fill an important control function with respect to the external financial reporting process.

Monitoring activities

Pandox monitors performance in relation to both operational and financial targets on a monthly basis. The performance follow-up meetings are attended by the CEO, CCO and the heads of the business areas. Material differences are investigated immediately by the CFO and significant cases are reported to the Board. At least every quarter the Board follows up on any high risks identified. The Audit Committee always examines the external reports before they are published for the stock market.

These follow-up processes are the basis for guaranteeing the quality of Pandox's financial reporting.

The CFO reports annually to the Board on internal control over financial reporting.

In addition to this, Pandox's external auditors also examine the Company's internal control over financial reporting and annual reporting, and perform a review of the third quarter interim report. Any shortcomings and/or errors identified by the auditors are reported to Pandox's executive management or, in the case of more serious issues, directly to the Board.

Information and communication

One prerequisite for good internal control is that its various components and intentions are known throughout the organisation. In other words, clear and well-structured communication on internal control is very important.

To ensure that there is an efficient exchange of knowledge and experience among the financial departments, financial meetings are convened on a regular basis. Governing guidelines, policies and instructions are available on the Group's intranet. Access to the internal information documents on the intranet is regulated by permissions. The documents are updated on a regular basis as needed. Access to financial data for the Group is also controlled at the central level based on permissions.

The corporate department works closely with the reporting subsidiaries, and arranges conferences and training each year for controllers and financial managers.

The Head of Investor Relations works with colleagues to manage all external information and communication, including the external website.

Stockholm, 11 March 2026

The Board of Directors of Pandox AB

Auditors' opinion on the corporate governance statement

To the general meeting of shareholders of Pandox AB, corporate identity number 556030-7885

Engagement and responsibility

It is the board of directors that is responsible for the corporate governance statement for the year 2025 on pages 73-80 and that it has been prepared in accordance with the Annual Accounts Act.

The scope of the audit

Our examination has been conducted in accordance with FAR's standard Rev 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

Opinion

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the annual accounts and the consolidated accounts and are in accordance with the Annual Accounts Act.

Stockholm, 11 March 2026

Öhrlings PricewaterhouseCoopers AB

Sofia Götmar-Blomstedt
Authorised Public Accountant
Auditor-in-charge

Linda Andersson
Authorised Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Board of Directors and auditor

Christian Ringnes

Born 1954.
Chair of the Board since 2004, chair of the Remuneration Committee and member of the Finance Committee.

Master of Business Administration from Harvard Business School, Bachelor's degree in Business and Economics from École des Hautes Études Commerciales, degree in philosophy from the University of Oslo.

The Chair of Eiendomsspar AS and Victoria Eiendom AS (and board appointments for companies in the group).

Chair of the Board Sundt AS (and board appointments for several companies in the group) and Dermanor AS.

Christian Ringnes and family own 47.4 percent of the shares in Victoria Eiendom AS, which owns 56.4 percent of the shares in Eiendomsspar AS, which in turn owns 37,314,375 class A shares and 10,950,826 class B shares in Pandox.

Independent in relation to the Company and the executive management team: Yes

Independent in relation to principal shareholders: No

Jon Rasmus Aurdal

Born 1982.
Board member since 2018 and member of the Audit Committee and Finance Committee.

Master of Science, Professional Accountancy from BI Norwegian Business School and Master of Business and Administration from NHH Norwegian School of Economics. Degree in philosophy from the University of Oslo.

CFO Eiendomsspar AS and Victoria Eiendom AS. Board and management positions in several subsidiaries of Eiendomsspar AS and Victoria Eiendom AS. Board member Lillunn AS.

Shareholding: 2,000 class B shares.

Independent in relation to the Company and the executive management team: Yes

Independent in relation to principal shareholders: No

Ulrika Danielsson

Born 1972.
Board member since 2023 and chair of the Audit Committee.

MSc Business and Economics from the School of Business, Economics and Law, University of Gothenburg.

Active on own company. Board member Platzer Fastigheter Holding AB, Nyfosa AB, Infranord AB, Storytel AB, Kallebäck Property Invest AB and Sparbanken Alingsås AB.

Shareholding: 2,000 class B shares, private holding and through companies.

Independent in relation to the Company and the executive management team: Yes

Independent in relation to principal shareholders: Yes

Jeanette Dyhre Kvisvik

Born 1972.
Board member since 2017.

Law degree (honours) from the University of Bergen (Norway).

Chief Executive Officer VILLOID AS.

Board member VILLOID AS.

Shareholding: 470 class B shares.

Independent in relation to the Company and the executive management team: Yes

Independent in relation to principal shareholders: Yes

Jakob Iqbal

Born 1972.
Board member since 2020 and member of the Remuneration Committee.

Master of Business Economics from BI Norwegian Business School. Certified European Financial Analyst (AFA), NHH Norwegian School of Economics. Completed the Advanced Management Program at Harvard Business School. Chief Executive Officer Sundt AS (plus board and management roles at several companies in the group).

Chair of the Board Helene Sundt AB and Christian Sundt AB. Board member Eiendomsspar AS, Victoria Eiendom AS, Pactum AS and Equitile Investments Ltd. Member of nomination committees for Norwegian ASA, Panoro ASA, Ultimovacs ASA and Otello ASA.

Shareholding: 10,000 class B shares.

Independent in relation to the Company and the executive management team: Yes

Independent in relation to principal shareholders: No

Bengt Kjell

Born 1954.
Board member since 1996.
Vice Chair of the Board and chair of the Finance Committee.

Graduate of Stockholm School of Economics.

Chair Hagabacken Fastighets AB. Board member AB Industrivärden, ICA Gruppen AB, Dunkers Stiftelser and others.

Shareholding: 2,000 class B shares.

Independent in relation to the Company and the executive management team: Yes

Independent in relation to principal shareholders: Yes

Shareholding as of 31 December 2025.

Auditor
Sofia Götmar-Blomstedt

Born 1969.

Auditor-in-charge, authorised public accountant, Öhrlings PricewaterhouseCoopers AB.

Auditor-in-charge for Pandox since 2024.

Other audit assignments:
Thule Group, Coop/KF, Cloetta, Pågengruppen, Odevo, Lammhult Designgroup and Ecolean.

Member of FAR (the professional institute for Swedish authorised public accountants).

Senior executives

Liia Nõu, CEO

Born 1965. Joined Pandox in 2007.
MSc Business and Economics from Stockholm School of Economics.

Board member Modern Times Group AB and JM AB.

Shareholding: 36,615 class B shares.

Anders Berg, SVP, Communications and IR

Born 1967. Joined Pandox in 2015.
MSc Business and Economics from Linköping University, Certified European Financial Analyst (CEFA), Certified Investor Relations Officer (CIRO).

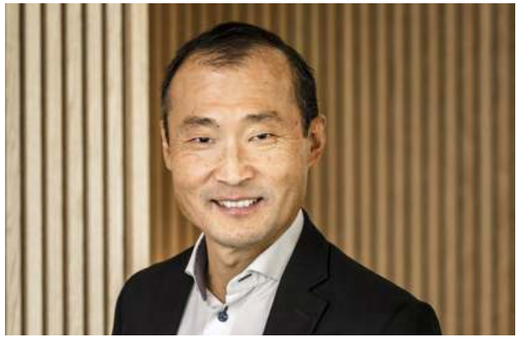
Shareholding: 3,150 class B shares.

Anneli Lindblom, CFO

Born 1967. Joined Pandox in 2021.
MSc Business Administration from Frans Schartaus Handelsinstitut, Stockholm.

Board member Neobo AB and Logistea AB.

Shareholding: 8,350 class B shares.



Martin Creydt, SVP, Director of Asset Management International

Born 1965. Joined Pandox in 2017.
Advanced Management Program, Cornell University, Executive Program, INSEAD, Business Degree Service Management, University of Gothenburg.

Shareholding: 5,500 class B shares.

Joakim Andersson, SVP, Treasury*

Born 1979. Joined Pandox in 2017.
Bachelor's degree in economics and business financing, Brunel University, London.

Shareholding: 1,500 class B shares.

Tobias Ekman, SVP, Director of Asset Management Nordics

Born 1972. Joined Pandox in 2022.
Hotel Management degree, Hotel Institute Montreux.
Hotel operation studies, HOSTA Hotel School, Switzerland.

Shareholding: 2,500 class B shares.

Shareholding as of 31 December 2025.

* Member of the executive management team from 1 March 2026.

Senior executives cont.

Mikael Hultqvist, SVP, Property Management

Born 1978. Joined Pandox in 2025.
Education: MSc Engineering, Chalmers University of Technology.

Shareholding: 3,000 class B shares.

Aldert Schaaphok, SVP, Director International Operations

Born 1959. Joined Pandox in 2004.
Bachelor's degree in Business Administration (hospitality focus), Hotelschool The Hague.

Shareholding: 5,459 class B shares.

Lars Häggström, Executive Senior Advisor

Born 1954. Joined Pandox in 2000.
Naval engineer, graduate of the Sjöbefälsskolan (naval officer college) in Stockholm, and one year of studies at the Royal Institute of Technology (KTH).

Shareholding: 14,200 class B shares.

Caroline Tivéus, SVP, Director of Sustainable Business

Born 1979. Joined Pandox in 2018.
Master's in Accounting from Lund University.

Board member Prisma Properties AB.

Shareholding: 3,000 class B shares.

Jacob Rasin, SVP, Transactions*

Born 1980. Joined Pandox in 2011.

Bachelor's degree from the Nolan School of Hotel Administration, Cornell University. Attended the Hotel Institute Montreux, Switzerland.

Shareholding: 3,149 class B shares.

Jonas Törner, Chief Commercial Officer

Born 1971. Joined Pandox in 2005.
Studies towards MSc in Business Administration and Economics, Stockholm University. Studies towards BSc in Engineering, Royal Institute of Technology (KTH) in Stockholm.

Shareholding: 9,500 class B shares.

Shareholding as of 31 December 2025.

* Member of the executive management team from 1 March 2026.

Thorough risk management creates freedom to act

A number of factors affect, or could affect, Pandox's operations – either directly or indirectly. Pandox works continuously and in a structured way to identify business risks, in order to manage these as consciously and effectively as possible. Good risk management creates the freedom to act and strengthens confidence in the Company among the communities around us.

Pandox's business activities are associated with risk and the Company works in a structured and proactive way to map, analyse and manage this.

Pandox assesses each risk based on the expected impact if the event triggering the risk occurs and the likelihood of the risk then being realised. This assessment subsequently forms the basis of an evaluation of how the risk should be prioritised, whether it requires specific action or if it can be managed as part of Pandox's normal administration. The effectiveness of existing measures to mitigate risk is assessed on a scale ranging from low to high control.

Identified risks are mapped in a risk matrix based on expected impact and likelihood. By taking active steps the potential effects of risks on the business can be reduced.

	PANDOX'S RISK WORK	1 EXTERNAL ENVIRONMENT	2 STRATEGY	3 ACTIVITY	4 FINANCIAL	5 SUSTAINABILITY
WHAT?	Risk is an uncertainty that could prevent Pandox from achieving its business objectives. Risks need to be identified, evaluated and managed on an ongoing basis. Pandox's risk work is based on a combination of expertise, experience, organisation and responsibility, as well as policies, rules, instructions and controls.	External factors such as the economic cycle, new hotel capacity, changed business models, geopolitical events, terrorist attacks and social restrictions – e.g. due to pandemics – can have an effect on the travel market and thus hotel demand.	Internal factors that directly impact Pandox's ability to carry out its strategy and reach its business targets with a predetermined level of risk. For example, access to the specialist expertise needed for the Company to be able to run its business competitively.	Internal factors such as Pandox's organisational structure, efficiency and ability to create profitable growth and value for the Company's stakeholders with a predetermined level of risk. This includes compliance risk, which relates to external requirements, rules and laws.	External and internal factors such as fluctuating interest rates and exchange rates, inaccurate property valuations, liquidity risk and counterparty risk. This includes refinancing risk associated with the tenants' financial performance and status.	Strategic and operational risk relating to the environment, human rights, social and personal circumstances as well as corruption which, together with the Company's financial performance, form the basis for the confidence our communities have in us.
HOW?	Pandox's Board of Directors has formal responsibility for Pandox's risk management, while operational responsibility is delegated to executive management who work on risk as part of the Company's day-to-day operations. Significant areas include valuation, financing and acquisition of hotel properties, as well as leases and other contractual relationships, investments in hotel properties and the running of hotel operations.	Pandox benefits from a significant flow of information about the business climate thanks to its broad geographical presence and large network of business partners and external advisors. As well as having strong internal capacity for analysis, executive management is able to quickly identify, evaluate and act on risks and opportunities arising in the world around us.	Pandox's Board of Directors and management jointly evaluate key strategic risks and examine the need for adjustments to the Company's strategy on an ongoing basis. Pandox works actively to ensure that the Company is attractive to existing and new personnel.	Pandox's value creation and operational risk are continually evaluated by the Company's executive management and Board of Directors. Risk is managed by combining advanced business expertise with an organisation that has a clear division of responsibility and monitoring activities. Governance and support are also provided by policies adopted by the Company's Board of Directors as well as supplementary governing documents and instructions.	Financial risk is regulated primarily in Pandox's Financial Policy. Risks are identified, assessed and managed continuously by Pandox's executive management supported by the Board of Directors, including in a separate Finance Committee.	Pandox's first line of defence is the individual employee's competency and the Company's basic values. The risks are regulated in various codes and policies adopted by the Board of Directors and are managed through the Company's active monitoring and control in the Own Operations segment and in partnership with tenants in the Leases segment.

Risk overview

Presented here is a list of identified risks along with their assessed likelihood and consequences in the short term.

In terms of financial reporting of both income and financial position, it is still primarily changes in valuation yields that have the greatest impact. See Note E and Note G for a detailed description of financial risks and a sensitivity analysis. Pandox's risks and risk management are described on the following pages.

Sustainability risks are summarised on page 97 and described under each sustainability standard on pages 92–147 according to the current interpretation of ESRS.

	Likelihood	Consequence
1 EXTERNAL RISKS		
Economic downturn	Medium	Medium
Disruptive business models	Medium	Medium
Geopolitical events	High	Medium
Overexpansion of hotel rooms	Medium	Medium
Pandemics	Medium	High
Terrorist attacks	High	Medium
2 STRATEGIC RISK		
Growth through acquisitions	Medium	Medium
Investments in existing portfolio	Medium	Medium
Impact of digitalisation	High	Medium
Major lease renegotiations	Low	Low
Concentration on a few tenants	Medium	Medium
3 OPERATIONAL RISK		
Dependence on key individuals	Medium	Low
Competency of employees	Low	Low
Tenants' business and financial status	Low	Medium
Integration of acquisitions	Medium	Medium
Pandox's operation of hotels	Medium	Medium
IT security	High	Medium
Tax risk	Medium	Low
Disputes	Low	Medium
Inflation	Low	Medium

	Likelihood	Consequence
4 FINANCIAL RISKS		
Fluctuations in interest rates	Medium	Medium
Refinancing and liquidity risk	Low	High
Breach of terms and covenants in credit agreements	Low	High
Currency risk	Medium	Low
Certification and authorisation	Medium	Medium
Financial reporting	Medium	Medium
Property valuation	Medium	Medium
Insurance errors	Low	Medium
Counterparty risk related to bank derivatives	Low	Low
Rent reporting	Medium	Low

Likelihood Low Medium High
Impact Low Medium High

PANDOX'S RISKS AND THE COMPANY'S MANAGEMENT OF SUCH RISKS ARE DESCRIBED IN MORE DETAIL BELOW.

Risk	Description	Risk management
1 EXTERNAL RISKS		
Economic downturn	Economic activity is a primary driver of both business and leisure travel, and a weakened economy can therefore have a negative effect on demand.	• The portfolio consists of a large number of sizeable hotel properties with a good spread as regards geography, location, brand, operating model and type of demand (international, domestic and regional). • The hotel properties are predominantly full-service hotels in the upper-mid segment, which has historically been more stable in earnings than, for example, the high price segment.
Disruptive business models	Pandox's business model may be challenged by the emergence of new business models, such as online travel agencies (OTAs) and home sharing services. If Pandox is not able to keep up with the competition, this could have a negative impact on revenues and earnings.	• Pandox works with around 30 different hotel operators and hotel brands; this puts the Company in a unique position as regards information and knowledge of market changes and also helps to diversify commercial risk. • Pandox's working methods are based on optimising revenues taking into account the distribution landscape and its impact on revenue and costs, including through the support of a Group-wide Revenue Management Centre. • Long leases with external hotel operators which stipulate a contractual minimum rent; general deductions for commission are not usually permitted.
Geopolitical events	Security and geopolitical events can have significant effects on travel patterns and demand in the hotel market.	• A well thought-out strategy and business plan exists for each individual hotel property and geographical area; • the ability to continually monitor economic conditions for each individual hotel property creates a readiness to make quick business decisions when needed. • Diversified hotel property portfolio with mainly domestic and regional demand.
Overexpansion of hotel rooms	New capacity in the form of new hotels and hotel rooms could have a significant adverse impact on RevPAR in individual markets.	• Ongoing market analysis is carried out for each geographical area of operations and hotel property, which means that changes in the market are detected early on and measures can be initiated without delay.
Pandemics	Global spread of infectious diseases resulting in extraordinary social measures in many countries simultaneously, such as travel restrictions, limits on meetings and public gatherings, and restricting the ability to run hotel operations.	• Geographically diversified hotel property portfolio. • Exposure to mainly domestic and regional demand. • Significant proportion of leases have contractual minimum rent and fixed rent.
Terrorist attacks	Disruptive events that affect Pandox-owned hotel properties and hotels directly, or indirectly through a significant impact on travel patterns and on infrastructure that is critical to society.	• Ongoing security efforts. • Contingency plans. • Insurance cover. • Geographical diversification with hotel properties in 11 countries and around 90 destinations.
2 STRATEGIC RISK		
Growth through acquisitions	Risk attributable to acquisitions is mainly the risk of paying too much for assets, the risk of incorrect assumptions as regards future earnings of the acquired asset/business, the risk of taking over leases or other agreements that are unfavourable, and the risk of management time and other resources being spent on acquisitions that are not completed.	• Pandox's long-term focus on hotel properties as a class of asset has generated extensive specialist expertise. • An active Board of Directors and active principal shareholders, experienced management and a sound basis for decisions. • Pandox has a well thought-out strategy in which the country, city, type of hotel, brand, type of agreement, form of operation and yield are continually and consistently evaluated. • Tried and tested due diligence processes supported by internal and external specialists reduce the risk of incorrect acquisitions. • Pandox's way of working (the Pandox Method) increases cash flow and limits risk for the hotel in question.
Major investments in the existing portfolio	There is a risk that the costs of investments may be higher than expected and that the return is therefore lower than expected because of inaccurate costings, unprofessional procurement or inefficient project implementation.	• Extensive specialist knowledge of the identification, evaluation and implementation of investments in the existing hotel property portfolio. • Long-term investment management of measures implemented in the property stock. • Monthly review of all investment projects. • Follow-up and calculation of actual costs and outcomes for completed investment projects.
Impact of digitalisation	Digitalisation is a strong and accelerating factor in changes in society. It also has the ability to change people's behaviour. This requires new approaches in Pandox's organisation and ways of working, and opens up opportunities for new actors with different business models to become established, especially in the home-sharing segment.	• Pandox works proactively at an operational level to gather know-how on strategic digitalisation matters. • Work on targeted initiatives is in progress within various parts of the Company and Pandox continually reviews its ways of working and processes in order to increase its digital readiness. • Increased data collection, analysis and automation of activities at the hotel properties.

Risk	Description	Risk management
2 STRATEGIC RISK, cont.		
Major lease renego-tiations	The risk of disadvantageous changes in rent levels and/or the division of responsibilities when making investments and/or taking over operations.	• Attractive hotel products and close dialogue with tenants. • Internal project team with good expertise and clear authority. • In-house expertise and the ability to take over and operate hotels if needed.
Concentration on a few tenants	Being highly dependent on a small number of tenants could increase operational and financial risk.	• Competitive and operationally strong tenants. • Clear division of responsibilities and risk in the lease. • Various kinds of guarantees as security for rent payments.
3 OPERATIONAL RISK		
Dependence on key individuals	High dependence on individuals in key positions can pose a risk of daily duties not being able to be performed with adequate efficiency and quality.	• Ongoing development of structural capital through process and organisational development. • Plan for long-term talent supply. • Good knowledge of external individuals in senior roles for recruitment. • Strong external network with supporting specialist expertise. • Remuneration Committee that ensures competitive levels of remuneration. • Clear personal incentives and long contract terms. • Procedures and process descriptions for key functions to reduce dependence on individual personnel.
Competency of employees	The risk that Pandox is unable to find the right competencies in new markets or to replace lost competencies in existing markets, or is unable to do so sufficiently quickly.	• As part of operational HR work, recruitment needs are reviewed regularly at both the central and local level. • Strong external network with supporting specialist expertise. • Attractive workplace with great personal freedom in professional roles and good opportunities to develop.
Tenants' business and financial status	The risk that tenants underperform and/or are unable to pay their rent.	• Individual business plans for each hotel property. • Each tenant's results are followed up monthly, as are ongoing investment projects. • Various guarantees that in certain circumstances may be called on to cover unpaid rent.
Integration of acquisitions	Commercial, technical and accounting risks that arise ahead of, during and after an acquisition or business takeover.	• Many years of experience of integrating acquisitions in numerous geographical markets. • Clear project organisation and allocation of roles. • Internal specialist expertise in property, finance, tax, valuation, law and communication. • Clear work methods and processes. • Extensive external network with specialist expertise.
Pandox's operation of hotels	Pandox is exposed to certain risks that commonly occur when operating hotels, such as increased operating costs that cannot be fully offset by raised room rates or increased prices for other hotel services, the costs of compliance with laws and regulations, the ability to forecast occupancy and average room rates and to plan staffing, the quality and reputation of hotel brands used, an inabil-ity to keep pace with technological development, faults in or damage to IT systems, as well as risks and costs associated with protecting the privacy of guests' personal data and providing for their physical safety.	• Strategic and operational work to ensure each hotel is optimally positioned in each market. • Strong local management and an effective organisation. • A Group-wide Revenue Management Centre for distribution of hotel products. • Modern systems for revenue forecasts, staffing and productivity. • Ongoing benchmarking and analysis of each hotel's performance in relation to its immediate competitors.
IT security	As digitalisation, geopolitical tensions and international organised crime increase, so too does the risk of IT incidents that could result in the loss, manipulation or locking of data and systems.	• Each year the Board of Directors adopts an IT Policy. • Well-separated system environments with few users at Group level. • Regular risk assessment and continual maintenance of IT security supported by external expertise. • Ongoing training for employees in cyber and IT security.

Risk	Description	Risk management
3 OPERATIONAL RISK, cont.		
Tax risk	Pandox could be affected by changes in tax legislation or practice. Pandox's tax situation may worsen if the Company's past or current management and assessment of tax matters is successfully questioned.	• Pandox has internal tax expertise and works with reputable external tax advisors on acquisitions, divestments and ongoing evaluation of changes in tax legislation and its interpretation in each country of operation. • Planning of measures based on proposed changes to tax legislation is initiated at an early stage. • In the event of inquiries from local tax authorities, reputable external tax advisors are consulted. • Pandox has a Tax Policy adopted by the Board of Directors which, among other things, expressly stipulates that Pandox is to comply with all laws and rules in force where the Group's companies operate, and that tax is to be managed on a sound business basis and in an ethical way that is prudent and transparent. Aggressive or advanced tax planning is not allowed.
Disputes	Disputes can arise in various areas and can have negative financial consequences and reduce confidence.	• A generally cautious approach. • Strong network of advisors in each individual market and for each type of issue.
Inflation	Shortages and disruption in the economy that result in cost inflation for investments and/or the operation of hotel properties and hotels.	• Increased focus on governance and monitoring of larger investment projects. • Planned purchasing in large volumes. • Model with variable revenue in the Leases segment, with rental income increasing when tenants raise their prices on hotel rooms and other hotel services. • Increased input prices can be offset by raising room rates and prices of other hotel services in the Own Operations segment.
4 FINANCIAL RISKS		
Fluctuations in interest rates	Interest expense is, and has historically been, Pandox's largest item of expenditure. Interest expense is affected by market interest rates and by credit institutions' margins, as well as by Pandox's strategy as regards fixed interest. The majority of Pandox's credit facilities have a variable rate of interest. There is a risk that Pandox's interest expense will increase if market interest rates rise, or that Pandox will fix its interest rates at a level that is higher than the market interest rate.	• In order to manage interest rate risk and increase the predictability of Pandox's earnings, interest rate derivatives are used; these are mainly interest swaps. • Variable interest rates are partially swapped through interest rate swaps, giving Pandox fixed interest rates. • Pandox has a Financial Policy that regulates risk mandates and is approved annually by the Board of Directors. • Internal specialist expertise in treasury and risk. • Close cooperation with external financial expertise.
Refinancing and liquidity risk	Refinancing risk is the risk that financing cannot be obtained or renewed upon maturing, or only at significantly higher costs. Liquidity risk refers to the risk that Pandox will be unable to meet its payment commitments due to a lack of liquidity.	• Pandox has access to long-term financing. • Pandox's Financial Policy specifies minimum levels of unutilised credit and loan-to-value ratio. • Pandox has a liquidity reserve to ensure that the Company is able to meet ongoing payment obligations at all times. • Pandox has good access to long-term credit facilities. • Pandox has a diversified portfolio of lenders consisting of 16 Nordic and international banking partners. • Pandox has established a separate Finance Committee consisting of members of Pandox's Board of Directors and executive management in order to manage key practical and strategic matters relating to the Company's financing.
Breach of terms and covenants in credit agreements	In extraordinary circumstances, such as in times of pandemic or extreme interest rate fluctuations, it cannot be ruled out that a situation might arise where, for example, commitments and covenants in the Company's credit agreements are not met.	• Ongoing monitoring and control of the credit portfolio and its terms and covenants. • Proactive and close dialogue with lenders concerning adapting the terms and covenants in existing credit agreements if needed. • Specific actions that can be taken, if needed, to remedy any non-compliance, such as payment of interest into an escrow account, adjustment of covenants, covenant holidays or certain repayments.
Currency risk	Currency risk is defined as the risk of the consolidated income statement and consolidated statement of financial position being negatively impacted by exchange rate fluctuations. This risk can be divided up into transaction exposure, i.e. the net amount of operating and financial (interest/principal repayment) flows, and translation exposure associated with net investments in foreign Group companies.	• Foreign operations generally report both income and expenses in local currency, which means that currency exposure resulting from current flows, i.e. transaction exposure, is limited. In view of the limited risk, Pandox does not currency-hedge these flows unless there is a particular reason to do so. • Equity is currency-hedged as needed ahead of acquisitions, investments and divestments to avoid changes in the value of equity. • Pandox reduces its currency exposure associated with net investments in foreign Group companies by taking out loans in local currencies.

Risk	Description	Risk management
4 FINANCIAL RISK, cont.		
Certification and authorisation	Authority to take decisions, approval matrix and payment processes.	• An approval matrix established by the Board of Directors. • Well-defined levels of authority in internal systems. • Special verification for payments and orders above a certain level in the approval matrix.
Financial statements	Errors in or inconsistent quality of both internal and external reporting, such as errors in rent accounting and property valuation. Risks also include late reporting or reporting not being in compliance with the Group's accounting principles.	• Pandox aims to have uniform procedures and checks for financial reporting that are adapted to and support its operations across the Group. • Manuals, instructions, schedules and reviews with the subsidiaries in the Group to ensure consistent and timely reporting. • An Audit Committee appointed by the Board of Directors reviews the Group's financial reporting and risk management.
Property valuation	Individual and systematic errors in the valuation process, such as incorrect assumptions regarding growth, profitability and valuation yield.	• Pandox has a robust valuation process and a consistent valuation approach; the valuation model consists of an accepted and proven cash flow model, where the future cash flows that the hotel properties are expected to generate are discounted by the market yield requirements. • The valuation is based on the business plan for the hotel concerned, which is updated at least twice a year and takes into consideration, among other things, developments in underlying operator activities, market developments, the contract situation, operating and maintenance issues and investments aimed at maximising the hotel property's cash flow and yield in the long term. • External valuations of all properties are normally carried out annually by independent property appraisers; the external valuations provide an important reference point for Pandox's internal valuations, to the extent that differences compared with internal valuations are analysed to challenge the internal valuation. • The external appraisers complete a more in-depth inspection at least every three years or in conjunction with major changes to the properties. • Quarterly review of valuations by Pandox's management, Audit Committee, Finance Committee and Board of Directors before publication of each financial report. • For further information on property valuation, see pages 163–167.
Insurance errors	Particularly the risk of properties being underinsured and that adequate insurance compensation cannot be obtained in the event of a loss.	• Insurance policies are reviewed at least annually. • Ongoing advice on premiums and insurance levels.
Counterparty risk related to bank derivatives	The risk that a bank which issues OTC derivatives is unable to meet its contractual obligations.	• Banks with a high rating. • Risk tolerance managed in Financial Policy. • Continuous monitoring by Treasury.
Rent reporting	Under- or overestimation of rental income.	• Continuous monitoring and reconciliation with tenant. • Periodic review of rent reporting internally and, where relevant, externally with tenant.

SCANDIC ALVIK
BROMMA

HOTELISM BY PANDOX

Financial and sustainability

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Taking stock of the year on two levels

As CFO, it is my job each year to add up the Company's figures, analyse the results and look to the future. But I have also realised the importance of taking stock on a personal level – to stop and think about whether I have put my time and energy into the right things, and whether I have helped to create better conditions for both the Company and myself for the year ahead.

2025 has really challenged me on both these levels. Pandox has taken a big step through the acquisition of 31 hotel properties in Ireland and in the UK – a complex transaction in which we acquired Dalata Hotel Group via the Irish Stock Exchange, with all that entails in terms of rules and challenges. Alongside this, we have navigated an extensive carve-out process through which Scandic is taking over the hotel operations. It has been an intense year with many new contacts, long negotiations and a constant focus on creating value – both for the Company and for our stakeholders.

Owning your year

Pandox's portfolio is now approaching SEK 100 billion and the Group has annual sales of SEK 10 billion. We have employees in Sweden, the Nordics and internationally, and today Pandox is a different hotel property company than before the pandemic years. We like to work at a fast pace and challenge ourselves, but we also try to find time for reflection.

Looking back at the past year I realise that the greatest insights often come in moments of reflection, rather than from the figures themselves. Being CFO is not just about adding up earnings and analysing balance sheets – it is also about daring to pause and ask yourself: Have I put my time and energy into what really matters? Have I been present in the crucial moments, and have I helped create structure, clarity and opportunities – for me, for the team and for Pandox?

Lessons for the future

This year's big acquisition has challenged me to think in new ways, collaborate across borders and sometimes dare to let go of what I am used to. I have learnt that it is just as important to balance your own priorities as the Company's figures. For me it is about creating structure and clarity, but also about making room for development – both for the team and for myself.

With that experience in mind, I am looking forward to a new year filled with new opportunities and challenges. I will take with me what I have learnt over the past year and my ambition to continue to develop, both as a CFO and as a human being.

Stockholm, March 2026
Anneli Lindblom

"This year's big acquisition has challenged me to think in new ways, collaborate across borders and sometimes dare to let go of what I am used to."

How to read the financial information

From a financial perspective, Pandox operates two types of business that are reported as distinct business segments. The largest is Leases which, taking into account the nature of hotel properties, is fully comparable to most other property companies. The second is Own Operations where Pandox, in addition to owning the hotel property, also operates the hotel in the property. This combination means that Pandox's earnings at the aggregate level are not fully comparable with those of other property companies and that Pandox's two business segments are not fully comparable with each other either.

Income statement

- **Net sales:** Consists of both rental income from Leases and sales from Own Operations and is therefore less useful as an aggregate measurement. Revenue from the respective business segments should be assessed separately.
- **Net operating income:** For comparability between the business segments, depreciation is added back into gross profits for Own Operations.
- **Changes in value:** Two different types of changes in value are recognised under this heading:

1. Changes in the value of properties refers to the change (increase/decrease) in the market value of investment properties. Remember that operating properties are not measured at market value according to IFRS. They are instead recognised at cost. Pandox does, however, assess the market value of operating properties on an ongoing basis and reports the value for information purposes. This value is also included in EPRA NRV. Included is also realised changes in the value of properties, which is the difference between the properties' book value and the value realised upon divestment.

2. Changes in the value of derivatives refers to the change (increase/decrease) in the market value of interest rate derivatives used to reach a desired interest maturity profile.

- **Tax:** Consists of current tax, which is the tax on operating activities paid by Pandox, and deferred tax on the change in the difference between the fair value and the adjusted taxable value of the properties.
- **Cash earnings:** A key measure of the financial value creation within Pandox's operations and the basis for valuation of the hotel properties. Cash earnings consists of EBITDA plus financial income, less financial expense, less financial expense for right-of-use assets according to IFRS 16, less current tax, adjusted for any unrealised translation effect on bank balances and minority interests. Cash earnings are more volatile than net operating income because they include more cost items, which may also vary from quarter to quarter.

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Consolidated income statement

MSEK	Note	2025	2024
Revenue Leases			
Rental income	C1, C2, E1	3,935	3,728
Other property revenue	C1, C2, E1	163	137
Revenue Own Operations	C1	3,371	3,271
Net sales		7,469	7,136
Costs Leases	C1, C4, C6, C7, G5	–519	–568
Costs Own Operations	C1, C5, C6, C7, G5	–2,728	–2,713
Gross profit		4,222	3,855
– of which gross profit Leases	*C1*	*3,579*	*3,297*
– of which gross profit Own Operations	*C1*	*643*	*558*
Central administration	C1, C3, C6, C7	–236	–200
Transaction costs	H2	–241	—
Financial income	C1, G1	32	38
Financial expense	C1, G1	–1,668	–1,590
Financial expense for right-of-use assets	G1, G5	–140	–119
Profit before changes in value		**1,969**	**1,984**
Changes in value			
Change in property value	C1, E1	605	475
Realised change in value Dalata	H2	1,598	—
Change in value of derivatives	C1, G2	–326	–100
Profit before tax		**3,846**	**2,359**
Current tax	C1, D1	–343	–318
Deferred tax	C1, D1	–329	–335
Profit for the year – remaining operations		**3,174**	**1,706**
Profit from divested operations		0	—
Profit for the year		**3,174**	**1,706**

Consolidated statement of comprehensive income

MSEK	Note	2025	2024
Items that may not be reclassified to profit or loss, net after tax			
Remeasurement for the year of property, plant and equipment		–57	—
Remeasurement differences on realised gains/losses from foreign operations		—	–31
Items that may be reclassified to profit or loss, net after tax			
Hedging of net investment in foreign operations		86	–160
Translation differences, foreign operations		–2,150	1,226
Other comprehensive income for the year		**–2,121**	**1,035**
Comprehensive income for the year		**1,053**	**2,741**
Profit for the year attributable to owners of the parent		3,139	1,689
Profit for the year attributable to non-controlling interests		34	17
Comprehensive income for the year attributable to owners of the parent		1,029	2,718
Comprehensive income for the year attributable to non-controlling interests		24	23
Per share data	G4		
Weighted average number of shares		194,603,000	186,866,813
Earnings per share after tax, before and after dilution, SEK		16.13	9.04

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Consolidated statement of financial position

MSEK	Note	31 Dec 2025	31 Dec 2024
Assets			
Non-current assets			
Operating properties	E2	10,804	12,123
Furniture, fixtures and equipment	E3	667	522
Investment properties	E1	77,170	60,270
Right-of-use assets	G5	2,760	3,156
Deferred tax assets	D1	590	347
Derivatives	G2, G3	791	1,139
Other non-current receivables	E5, G3	91	93
Total non-current assets		**93,873**	**77,650**
Current assets			
Inventories		8	8
Current tax assets	D1	448	266
Trade accounts receivable	E4, G3	383	419
Prepaid expenses and accrued income	E6	642	659
Other receivables		316	380
Cash and cash equivalents		1,186	1,286
Assets held for sale	E7	15,038	20
Total current assets		**18,021**	**3,038**
TOTAL ASSETS		**111,894**	**80,688**

MSEK	Note	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
Equity	G4		
Share capital		487	487
Other paid-in capital		9,470	9,470
Reserves		123	2,234
Profits brought forward including net profit for the year		23,649	21,337
Total equity attributable to the owners of the parent		**33,729**	**33,528**
Non-controlling interests		184	167
Total equity		**33,913**	**33,695**
Liabilities			
Non-current liabilities			
Non-current interest-bearing liabilities	G2, G3	45,503	33,175
Other non-current liabilities		14	20
Non-current lease liabilities	G5	3,744	3,134
Derivatives	G2, G3	161	183
Provisions	F2	57	43
Deferred tax liabilities	D1	8,031	5,776
Total non-current liabilities		**57,507**	**42,331**
Current liabilities			
Provisions	F2	42	12
Current interest-bearing liabilities	G2, G3	3,778	2,359
Current lease liabilities	G5	21	31
Tax liabilities	D1	380	691
Trade accounts payable	G3	327	369
Other current liabilities		224	241
Accrued expenses and deferred income	F1	1,251	959
Debt related to assets held for sale	E7	14,451	—
Total current liabilities		**20,474**	**4,662**
Total liabilities		**77,981**	**46,993**
TOTAL EQUITY AND LIABILITIES		**111,894**	**80,688**

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Balance sheet

- **Non-current assets:** Here operating properties (the sum of operating properties plus furniture, fixtures and equipment) are recognised at cost and investment properties at fair value (market value).
- **Deferred tax assets:** This consists of the carrying amount of tax loss carryforwards which Pandox expects to be able to utilise in future financial years, and temporary measurement differences for interest rate derivatives. The loss carryforwards are mainly in the Nordic markets.
- **Deferred tax liabilities:** These largely consist of temporary differences between fair value and the adjusted taxable value of investment properties and temporary differences between the carrying amount and taxable value of operating properties.
- **Equity/assets ratio:** The equity/assets ratio is a common measure of a company's financing situation and its ability to withstand financial difficulties and losses. A company's actual equity/assets ratio may, however, deviate significantly from the reported equity/assets ratio because it does not take into account so-called hidden reserves, i.e. assets that are not included or that may be undervalued in the balance sheet. In Pandox's case EPRA NRV is a more accurate measure of equity because it includes the market value of all properties and derivatives and of deferred tax assets and tax liabilities. Growth in EPRA NRV is also how Pandox measures the return on the shareholders' combined equity in the Company.

Administration Report

The Board of Directors and Chief Executive Officer hereby submit the Annual Report and consolidated accounts for the 2025 financial year for Pandox AB (publ), corporate registration number 556030-7885.

OPERATIONS

Pandox is listed on Nasdaq Stockholm's Large Cap list. Pandox is a property company specialising in hotel properties. Pandox's goal is to create growth in cash flow through steadily increasing rental income and project development in the existing property portfolio, combined with seizing acquisition opportunities. Pandox is an active and engaged owner with a business model based on long revenue-based leases with guaranteed minimum rent levels with skilled hotel operators. The main focus of the property portfolio is northern Europe. The portfolio is diversified in terms of geography, type of demand, brands and hotel products, which reduces risk exposure. A large portfolio creates opportunities to implement value-increasing initiatives in many different ways.

At the end of 2025 Pandox's hotel property portfolio contained 193 (161) hotels with a total of 42,761 (35,672) hotel rooms in 11 countries, with a market value of MSEK 91,743 (76,334). Of the 193 hotels, 171 (138) were leased through long-term leases to well-known tenants with established brands, providing stable rental income. A smaller number amounting to 22 (23) hotel properties are owned and operated by Pandox under various brands.

The investment properties had a weighted average unexpired lease term (WAULT) of 13.6 (14.4) years and an insignificant void rate since hotel properties are always fully leased out.

2025 was a year of good development in both occupancy and average room rates. Total net operating income increased by 10 percent and is mainly driven by higher rents in the Leases business segment.

REVENUE AND PROFIT

Group

Profit for the year attributable to the Parent Company's shareholders amounted to MSEK 3,139 (1,689), while profit before changes in value amounted to MSEK 1,969 (1,984). In 2025 total revenue and total net operating income increased by 5 percent and 10 percent respectively compared to 2024, which is explained by acquisitions and by good development in occupancy and average room rates in the existing portfolio. Changes in the value of properties amounted to MSEK 605 (475). This consists of unrealised and realised changes in the value of investment properties of MSEK 600 and MSEK 5 respectively. A decreased valuation yield made a positive contribution of MSEK 498, while increased cash flows made a positive contribution of MSEK 102.

The Group's net sales amounted to MSEK 7,469 (7,136), an increase of 5 percent, driven by acquisitions and by increased occupancy and higher average room rates in the existing portfolio. Dalata Hotel Group plc has been consolidated as of 7 November 2025 and contributed nominal rental income and gross profit/net operating income of MSEK 146 and MSEK 138 respectively in the fourth quarter.

For comparable units, the Group's net sales increased by 1 percent, adjusted for currency effects.

Acquired operations

On 7 November 2025 the acquisition of Dalata Hotel Group plc (Dalata) was completed. It involves a property portfolio consisting of well-established and profitable hotels in the upper price segment situated in strong locations in Ireland and the UK. The hotel properties are of a high technical standard and make a positive contribution to the overall quality of Pandox's hotel property portfolio. Through the acquisition Pandox, via its acquiring subsidiary (Bidco), became the owner of 91.2 percent of the business. Eiendomsspar received a minority holding of 8.8 percent in Bidco. Dalata is reported as a business combination and is consolidated into the Pandox Group as of 7 November 2025. The acquisition involves Dalata's business operations and after splitting Dalata's business into a property ownership side and a hotel operations side, Pandox will retain 31 investment properties in Ireland and the UK. Scandic is expected to acquire the operating platform with its 56 hotel operations, mainly under the Clayton and Maldron brands. There is also one additional investment property in Edinburgh, which is being converted into a hotel.

See also Note H2.

Leases

Revenue for the Leases segment amounted to MSEK 4,098 (3,865), an increase of 6 percent, supported by acquisitions and organic growth in the comparable portfolio, as well as increased guaranteed minimum rent and fixed rent. Rental income amounted to MSEK 3,935 (3,728) and other property income to MSEK 163 (137). Guaranteed minimum rent and fixed rent amounted to MSEK 2,512 (2,314).

Net operating income for the Leases segment amounted to MSEK 3,579 (3,297), an increase of 9 percent.

For comparable units net operating income increased by 2 percent, adjusted for currency effects.

Own Operations

Revenue for Own Operations amounted to MSEK 3,371 (3,271), an increase of 3 percent. For comparable units, revenue and RevPAR decreased by 1 percent, adjusted for currency effects.

Net operating income for Own Operations amounted to MSEK 971 (842), an increase of 15 percent. For comparable units, net operating income adjusted for currency effects was unchanged from the previous year.

Consolidated EBITDA and financial expense

EBITDA amounted to MSEK 4,086 (3,961), an increase of 3 percent, which is primarily explained by an increase in underlying net operating income for both Leases and Own Operations.

Adjusted for transaction costs of MSEK –241 attributable to the acquisition of Dalata, EBITDA amounted to MSEK 4,327. This is an increase of 9 percent.

Financial expense amounted to MSEK –1,668 (–1,590), of which MSEK –247 (–237) consists of loan arrangement fees. The increase is mainly due to higher interest-bearing net debt.

Property portfolio

At the end of the period Pandox's property portfolio had a total market value of MSEK 91,743 (76,334), of which MSEK 77,170 (60,290) was for investment properties and MSEK 14,573 (16,044) was for operating properties. The market value of operating properties is reported for information purposes only and is taken into account in the calculation of all relevant EPRA performance measures. As of 31 December 2025 the weighted average valuation

CONTRIBUTION OF BUSINESS SEGMENTS TO PROFIT

MSEK	2025	2024	2023	2022	2021
Leases					
Gross profit	3,579	3,297	3,157	2,868	2,027
Change in property value	605	539	–1,155	1,180	–386
Contribution Leases	**4,184**	**3,836**	**2,002**	**4,048**	**1,641**
Own Operations					
Gross profit	643	558	430	236	–300
Change in property value	0	–64	48	—	–10
Contribution Own Operations	**643**	**494**	**478**	**236**	**–310**

yield for Pandox's investment properties was 6.28 (6.13) percent and for operating properties 6.85 (6.89) percent. During the year 32 investment properties in Ireland and the UK (Dalata) were acquired, amounting to MSEK 17,111 in total. In addition, one property in Norway was acquired at MSEK 710, one property in Sweden at MSEK 351 and one property in Germany at MSEK 778. During the year one property in Sweden and one property in Finland were divested for a total of MSEK 67. In total, acquired investment properties amounted to MSEK 18,951 as of the end of the year.
Complete information on changes in the value of properties can be found on page 64.

CURRENT AND DEFERRED TAX

Current tax amounted to MSEK –343 (–318). Deferred tax amounted to MSEK –329 (–335), an increase from adjustments to temporary differences on properties in the UK being offset by a write-down of a deferred tax asset for loss carryforwards in Canada as well as for the forthcoming lower corporate tax rate in Germany, resulting in a reversal of deferred tax on loss carryforwards in Germany.
See also Note D1.

CASH EARNINGS AND CASH FLOW

Cash earnings amounted to MSEK 1,906 (1,955), a decrease of 2 percent. Adjusted for transaction costs of MSEK –241 and preparatory financial costs of MSEK –59 attributable to the acquisition of Dalata, cash earnings amounted to MSEK 2,206. This is an increase of 12 percent, mainly explained by higher underlying net operating income. Cash flow from operating activities before changes in working capital amounted to MSEK 2,468 (1,865). The change in working capital affected cash flow in the amount of MSEK 633 (–39). Investing activities affected cash flow in the amount of MSEK –16,876 (–4,121). The change from the previous year is mainly explained by acquisitions. Cash flow from financing activities amounted to MSEK 13,757 (2,697). The increase is mainly due to a higher net change in new loans and repayments.

Cash and cash equivalents at the end of the period amounted to MSEK 1,186 (1,286).

EQUITY AND NET REINSTATEMENT VALUE

Equity attributable to the Parent Company's shareholders amounted to MSEK 33,729 (33,528) and EPRA NRV (net asset value) was MSEK 44,176 (41,953). EPRA NRV per share was SEK 227.01 (215.58).

PARENT COMPANY

Administration for activities within Pandox's property-owning companies is provided by employees of the Parent Company, Pandox AB (publ). The costs of these services are invoiced to Pandox's subsidiaries. Amounts invoiced during the period January–December 2025 totalled MSEK 144 (105) and profit for the period amounted to MSEK 669 (1,139). At the end of the period the Parent Company's equity amounted to MSEK 15,532 (15,690) and the external interest-bearing debt was MSEK 9,619 (4,731), of which MSEK 8,467 (3,443) was in the form of long-term debt.

SHARES AND OWNERSHIP

Under Pandox AB's current Articles of Association the share capital is to consist of not less than MSEK 150 and not more than MSEK 600. The share capital at the end of the year amounted to MSEK 487 (487) distributed among a total of 194,603,000 shares, of which 75,000,000 are class A shares and 119,603,000 are class B shares. One class A share represents three votes at the Annual General Meeting and one class B share represents one vote. The shares have a quota value of SEK 2.50. According to the Articles of Association, holders of class A shares are entitled to convert all or part of their holding of shares to class B shares. The Articles of Association impose restrictions on the transfer of shares and on voting rights for class A shares.

GENERAL RISKS AND UNCERTAINTIES

Priority areas for risk management are mainly changes in rental income in the Leases segment and changes in income and costs in the Own Operations segment, as well as property valuation and financing in view of the complexity and the size of these amounts. Pandox evaluates each risk based on an assessment of the likelihood that the event triggering the risk will occur and the likelihood of the risk then being realised. This assessment subsequently forms the basis of an evaluation of how the risk should be prioritised – whether it requires specific action or if it can be managed as part of Pandox's normal administration.

TAX SITUATION

At the end of the period deferred tax assets amounted to MSEK 590 (347), consisting mainly of the carrying amount of tax loss carryforwards that the Company expects to be able to utilise in future financial years. Deferred tax liabilities amounted to MSEK 8,031 (5,776) and relate mainly to temporary differences attributable to fair value measurement of investment properties, and temporary differences between the carrying amount and taxable value of operating properties, as well as to temporary differences in the value of interest rate derivatives. Deferred tax liabilities attributable to temporary differences in Germany have been reduced by MSEK –199 compared to previous years due to a reduction in the German corporate tax rate.

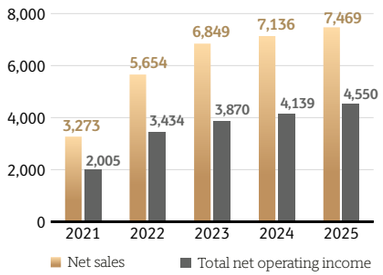
DISPUTES AND INSURANCE CASES

Revo Hospitality Group (formerly HR Group), which is one of Pandox's tenants in Germany, has filed for "self-administration" (Eigenverwaltung) under German insolvency law, which in short is a form of restructuring procedure. Pandox has bank guarantees corresponding to one year's rent and various courses of action are already apparent for the hotel properties. The financial impact is expected to be limited.

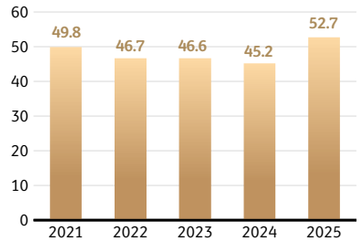
EMPLOYEES

At the end of the period Pandox had the equivalent of 1,494 (1,600) full-time employees, based on the number of hours worked converted into full-time employees. Of the total number of employees, 1,444 (1,555) were employed in the Own Operations segment and 50 (45) in the Leases segment and in central administration. The average number of employees was 1,511 (1,498), of which 779 (739) are men and 732 (759) are women.
See also ESRS section S1.

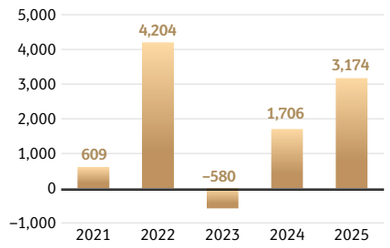
Net sales and total net operating income, MSEK



Loan-to-value ratio, %



Profit for the year, MSEK



GUIDELINES FOR REMUNERATION AND OTHER EMPLOYMENT TERMS FOR THE EXECUTIVE MANAGEMENT TEAM

The Board is to prepare proposals for new guidelines at least once every four years for adoption by the shareholders' meeting. Note C7 presents the remuneration guidelines that were most recently adopted.

EXPECTATIONS REGARDING FUTURE DEVELOPMENT

Pandox's goal is to create growth in cash flow through steadily increasing rental income, project development in the existing property portfolio and through acquisitions of new hotel properties. The capacity to increase cash earnings is dependent on economic activity, growth in the hotel market and local market conditions. Gradually improving macroeconomic development – with decreasing inflation, stable interest rates and accelerated economic growth – is creating the conditions for growth in the hotel market. Hotel demand is expected to remain good in 2026, driven by increased leisure, business and conference demand. Limited growth in supply is supporting room rate development in many markets, although there are significant differences between cities and from segment to segment. RevPAR is being driven by a combination of room rate, mix and volume. The dominant risk factor is still geopolitics and trade, where new actions may impact the willingness of companies to invest and consumers to consume. The acquisition of Dalata is expected to contribute significantly to Pandox's revenue and earnings in 2026. Other acquisitions concluded during the past year will contribute to growth to some extent as well. The divestment of Crowne Plaza Antwerp will have a negative impact on sales in the Own Operations business segment to some extent and a smaller but positive effect on the net operating margin. 2026 also started with sustained strengthening of the Swedish krona (SEK). As a result of this, revenue, earnings and asset values in foreign currency are losing value when converted to SEK.

APPROPRIATION OF PROFIT

At the disposal of the Annual General Meeting:

Retained earnings	9,451,998,692
Profit for the year	664,908,319
SEK	**10,116,907,011**

The Board proposes that the earnings be allocated as follows:

Dividend to shareholders, SEK 4.50 per share	875,713,500
Carried forward	9,241,193,511
SEK	**10,116,907,011**

The Board proposes that the available earnings of SEK 10,116,907,011 are allocated such that a dividend of SEK 875,713,500 is paid to the shareholders and SEK 9,241,193,511 is carried forward. The Board of Directors finds that the proposed allocation of earnings is justifiable taking into consideration the criteria mentioned in Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act regarding the nature and scope of the business and its risks, consolidation requirements, liquidity and position in general.

EVENTS AFTER THE CLOSING DAY

No other events or transactions of significance have taken place since 31 December 2025 that affect the financial statements provided for the Pandox Group for the 2025 financial year.

Statutory sustainability report

The Pandox sustainability report for 2025 has been prepared in accordance with the statutory requirements in the Swedish Annual Accounts Act, which include reporting according to the European Sustainability Reporting Standard (ESRS) and the EU Green Taxonomy Regulation.

The sustainability report has been reviewed by the Company's auditors. This review was performed in accordance with FAR's recommendation RevR 19 The auditor's review of the statutory sustainability report.

Pandox also performs sustainability reporting in accordance with the guidelines issued by the European Public Real Estate Association, EPRA Sustainability Best Practices Recommendations (EPRA sBPR). This reporting is presented as reference in the index on pages 143–145 and through a separate attachment on the Pandox website showing how Pandox's reporting aligns with the EPRA guidelines.

CONTACT

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About the sustainability report

BP-1, BP-2

The sustainability report within the Annual Report 2025 has been prepared in accordance with CSRD and underlying ESRS standards. The report covers all parts of Pandox's value chain, both upstream and downstream as well as the Own Operations segment, which were taken into account when conducting the double materiality assessment on which the sustainability report is based. The assessment is presented in more detail on page 100 in this report. Where considered relevant to communicating material aspects, information on the value chain has also been included in the reporting; for example, disclosures concerning Scope 3 and supplier management. Pandox has not exercised the option to exclude information on the basis that it is classified or sensitive, such as intellectual property or know-how.

The phase-in provisions that Pandox has utilised are specified in ESRS IRO-2 in the table "Disclosure Requirements in ESRS covered by the undertaking's sustainability statement" and can be found in the ESRS appendix.

The sustainability report has been prepared on a consolidated basis, with the same scope as in financial reporting. In addition, Pandox reports a supplementary outcome (called "Consolidated outcome like-for-like") for E1 energy and emissions, E2 water and E5 waste to meet the calculation and reporting requirements in accordance with EPRA and science-based targets (SBTi). The supplementary outcome is presented in the energy and emissions tables in ESRS E1 on pages 110-112 and in the water and waste tables on pages 118 and 120. The difference compared with the financial consolidation is that in these outcomes the hotel properties' hotel data and climate data are included in the calculations until the date at which they are reclassified, divested or closed for renovation. Reclassification takes place when there is a change in the hotel's operating model and when it is moved from the Own Operations segment to the Leases segment or vice versa. The guideline is to exclude full-year data for hotels that have been reclassified, closed for renovation, divested or acquired before the six months preceding the reporting period. Below is a description of the boundaries that have been applied in the 2025 like-for-like outcomes for E1 energy and emissions, E2 water and E5 waste. All social metrics and metrics for corporate governance are based on data as of 31 December 2025.

Boundaries in Own Operations: like-for-like outcome

- Hotel Hubert was reclassified to Leases in Q2 2025 and is therefore included in the Leases segment for full-year 2025 as Numa Brussels Royal Galleries.
- Hotel Mayfair is still reported under Own Operations for 2025 as it has not yet been transferred to the Leases segment.

For this reason the sustainability report covers 23 hotels in the Own Operations segment, while the financial sections report 22 hotels in Own Operations.

Boundaries in Leases: like-for-like outcome

- Radisson Blu Hotel, Tromsø was acquired in January and is included in the 2025 outcome.
- Dorint Parkhotel Bad Neuenahr was sold in February and is not included in the 2025 outcome.
- Pandox took over Hotel Pullman Cologne in April and it is included in the 2025 outcome.
- Quality Winn Gothenburg was divested mid-year and is not included in the 2025 outcome.
- Pandox took over Elite Hotel Frost in October 2025 and it is therefore not included in the 2025 outcome.
- Imatra was divested in Q3 and is therefore still included in the outcome for 2025.
- Pandox acquired 31 properties in the Dalata portfolio in November 2025. These are not included in the 2025 outcome.

The like-for-like outcome therefore covers 140 hotels in the Leases segment. The consolidated outcome, which follows the financial reporting, also includes the 31 properties added by the Dalata acquisition, which together makes 171 hotels in the Leases segment.

Change in preparation and presentation of sustainability information.

During the reporting period adjustments were made to the sustainability information in terms of both preparation and presentation compared with previous years. The purpose of these changes is to increase reporting relevance and to better reflect the impacts, risks and opportunities identified within the Company. The tables in disclosure requirement SBM-3 have been updated based on the 2025 review and updating of the double materiality assessment. A previously identified material impact linked to the risk of prostitution in hotel environments has been reclassified to the "Affected communities" standard instead of "Consumers and end-users". This is because the potential negative impact mainly affects individuals in the community who are at risk of being exposed to this in the hotel environments. It is therefore deemed more relevant to include the impact under the standard that addresses community impacts. During the year the impacts, risks and opportunities linked to policies, activities, targets and outcomes were mapped to ensure clear and vigorous reporting. In connection with this, certain standards relating to presentation of current disclosure requirements and outcomes were updated.

Estimates and errors in previous periods and forward-looking information

Any estimates, reporting errors in previous periods or forward-looking information are described in connection with each topic-specific standard. In summary, some measurement uncertainty arises in manual reporting linked to parts of Scope 3 in E1 (Climate change), waste data in E5 (Resource use and circular economy) and tenant disclosures on water consumption in E3 (Water resources).

Certain information presented in the 2025 report has been adjusted from previous years. These updates relate to changes in the portfolio and an error noted in an emission factor in the system, which needed to be updated. Scope 1, 2 and 3 emissions 2022–2024 have thus been recalculated due to a change in the portfolio of more than 5 percent. A more detailed explanation of the updated outcomes can be found in the topic-specific standard for climate change.

Sustainability management

GOV-1

Information on employees, the management team, as well as the Board's composition and diversity is presented in topic-specific standard S1 – Own workforce on page 130. There is also information on their respective roles and areas of responsibility on page 97.

The Nomination Committee applied rule 4.1 of the Code as a diversity policy when preparing its proposal for the Board of Directors. The objective is that the Board is composed of members of varying ages, genders and geographical origins, and to represent a range of educational and professional backgrounds.

Two of the six members of Pandox's Board are women. During the year one female board member resigned, resulting in a reduction in the number of women on the Board compared to the previous year. When recruiting a new board member Pandox requires diversity to be taken into account in the selection process. The Nomination Committee has further determined that the Board of Directors meets the requirements of the Code concerning independence.

GOV-3

In Pandox's current and continuing incentive schemes 10 percent are based on Pandox's sustainability work which is to be aligned with Pandox's climate-related SBTi targets, relating to GHG emissions in Scope 1, 2 and 3. The outcome assessment consists of a combined assessment of sustainability work completed during the year for Pandox to reach its SBTi targets over the long term. For more information on Pandox's incentive schemes, see pages 171–172.

In the Own Operations segment (excluding department heads and chief engineers in the UK), 25 percent of the general managers' annual incentive schemes is linked to the outcome in the index in the Green Module. This is described in more detail in the section E1 Climate change. For the department heads and chief engineers, 10 and 30 percent respectively is attributable to this index. The green

index is a combination of the KPIs in the following categories: energy, water, waste, food waste, towels and linens, and chemicals. In order for the ESG-related parts of the incentive scheme to be paid out, the index needs to be seven for new hotels and eight or higher for hotels that have had the index for the whole year.

GOV-5

Pandox's sustainability-related risk identification takes place through the implementation and updating of the double materiality assessment which covers the entire organisation and the value chain. The risks are prioritised based on size and likelihood.

The annual climate risk assessment uses a climate risk tool that analyses and evaluates Pandox's exposure to physical climate risk and natural disaster risk. It also identifies which climate adaptation measures need to be carried out at the property level. Starting this year the climate risk assessment is part of the annual risk process performed on site at selected properties in Pandox's portfolio. Climate risks are also taken into account in the acquisition process.

The division of responsibility for management of the risks varies, but risk management is coordinated by the SVP, Director of Sustainable Business. Pandox has internal control procedures such as the "four-eyes" principle, which requires two signatures on contracts to minimise the risk of errors or corruption. In recruiting contexts the grandfather principle is applied, whereby the CEO is always involved in the recruitment of key management roles. To ensure this proceeds in accordance with established processes, self-assessments are completed annually and reported on to Pandox's Audit Committee. These controls contribute to the quality of Pandox's ongoing financial and sustainability work, and consequently to the quality of the annual reporting.

The SVP, Director of Sustainable Business has overall responsibility for ensuring that Pandox's sustainability reporting is carried out in compliance with the legislation in force. A primary risk in sustainability reporting is that data may be reported inaccurately or not consolidated correctly. To address this Pandox utilises a digital third-party reporting system, allowing central oversight and control. Moreover, the four-eyes principle also applies here when data is entered into the report. Pandox is continually working to improve data quality and reporting processes through automation of data flows and by the recruitment of sustainability controllers who update and improve processes, routines and data quality, and perform frequent analysis. Pandox's reporting structures and calculations are evaluated annually to ensure they reflect real conditions as accurately as possible.

One difficulty within the Leases segment is that not all tenants collect sustainability data systematically and there is therefore a risk of inaccurate or incomplete data. To mitigate this risk Pandox is actively working to automate the collection of energy and water consumption data. In cases where automated or manually reported data is not available, Pandox uses standard calculations based on actual data from tenants.

Important governing documents

Pandox's company-wide Sustainability Policy forms the foundation for the organisation's sustainability efforts and provides guiding principles for all sustainability areas identified as material in the double materiality assessment. The policy references the governing documents listed below:

- Code of Conduct for Employees
- Code of Conduct for Business Partners
- Environmental Policy
- Anti-Corruption Policy
- Human Rights Policy
- Work Environment Policy
- Guidelines for Responsible Sourcing
- IT and Data Security Policy
- Statement on the Modern Slavery Act
- Norwegian Transparency Act Statement
- Risk management and internal control
- Whistleblowing Policy
- Social Strategy and Policy for Pandox-Operated Hotels

All of the policies above except for the Guidelines for Responsible Sourcing and the Social Strategy and Policy are approved by the Board of Directors. The latter is approved by an appropriate representative of the executive management team. The content of the policies is described under each relevant topic-specific standard.

SCANDIC PARK STOCKHOLM

GOV-1, GOV-2

BOARD AND AUDIT COMMITTEE

The Board's responsibility for sustainability work

The Board of Directors and Audit Committee have overall responsibility for Pandox's strategic focus within sustainability. This includes responsibility for ensuring that the sustainability report is correct, reliable and meets the requirements of the appropriate regulatory frameworks, including CSRD and ESRS. The Board reviews and approves the report prior to publication. The Board's responsibility includes ensuring that a double materiality assessment has been performed, that identified impacts, risks and opportunities have been assessed and that the results are included in the structure of the report with links to relevant policies, actions, targets and outcomes. The Board is also responsible for ensuring that Pandox has prepared a climate transition plan and operates according to the plan. Decisions on the Company's sustainability policies are made by the Board and they are updated annually. The Board also makes decisions on significant investments, such as the green investment programme linked to Pandox's climate transition.

There are no employee representatives on the Board of Directors.

Reporting to the Board and Audit Committee

The Board receives a report on sustainability efforts every six months. The half-yearly report describes current processes and routines within sustainability, and how the Company's internal control linked to these has been developed or implemented. The report also covers an assessment of the maturity of the processes and any areas identified for improvement. Every year a presentation is made to the Board in which the result of the double materiality assessment is described, together with any revisions and how the outcomes can be integrated into the CSRD report. This presentation also includes the outcome of stakeholder dialogue carried out during the process. On this occasion the Board is given the opportunity to express points of view and to approve the conclusions of the assessment. In 2025 the SVP, Director of Sustainable Business has also had a standing item on the Audit Committee's meeting agenda focused on the progress of reporting in line with CSRD.

Skills and expertise within the Board to manage sustainability

The Board has collective experience from the real estate industry, listed companies and sustainability work. One of the board members has specific sustainability experience. In addition to the skills and expertise within the Board, training is provided, both internally by the SVP, Director of Sustainable Business and externally by sustainability experts. This training covers topics such as climate transition, BREEAM certification, diversity and inclusion, and monitoring the external environment with respect to relevant trends and political decisions that may impact Pandox's strategy and operations. The Board has also received training specifically on its responsibility under CSRD and on anti-corruption. This was provided by two external sustainability experts.

CEO AND EXECUTIVE MANAGEMENT TEAM

The CEO and the executive management team are responsible for day-to-day operation of the Company and for reporting to the Board of Directors. They are responsible for delivering on objectives and strategies and taking decisions on general operational matters, including sustainability. The executive management team is also to ensure that systems and processes are in place to monitor and control the Company's operations and risks across all sustainability areas. The SVP, Director of Sustainable Business is a member of the executive management team and contributes expertise within this area. During the year the CEO and executive management team addressed all of the material topics identified for Pandox. Monitoring and assurance that systems and routines are effective is carried out through annual reporting of all KPIs in the sustainability report. SBTi targets are monitored continually during the year based on the transition plan that Pandox has established.

SUSTAINABILITY COMMITTEE

The Sustainability Committee consists of representatives from the executive management team, and addresses issues and decisions relating to sustainability work on a quarterly basis. In 2025 work continued on concrete opportunities and risks relating to action plans for Scope 1, 2 and 3 in order to reach the science-based targets, as well as further green financing. The Sustainability Committee is also active in the green investment programmes and the BREEAM certification process for properties in the Own Operations segment. The CFO convenes the committee meetings. During the year the Sustainability Committee addressed all of the material topics identified for Pandox.

SVP, DIRECTOR OF SUSTAINABLE BUSINESS

The SVP, Director of Sustainable Business is responsible for ensuring that sustainability is integrated into Pandox's day-to-day operations in consultation with individuals responsible for the relevant areas, who are often the heads of the business areas. The Director's participation in executive management meetings ensures that sustainability is always high up on the agenda and integrated into the Company's business. The SVP, Director of Sustainable Business also heads two specific sustainability forums. The first forum is attended by the SVP Asset Management & Development, an internal energy specialist and an external energy consultant who runs the green investment programme for the Own Operations segment. The second forum is attended by the SVP Asset Management & Development and two external BREEAM specialists who pursue and implement BREEAM certification of properties in the Own Operations segment in cooperation with the hotel's employees. The SVP, Director of Sustainable Business reports the outcome of sustainability work to the executive management team on a continual basis. Sustainability is also a permanent element of Pandox's strategic kick-off meetings held twice a year for the executive management team, board representatives, head office employees and key decision-makers within Own Operations. The role also includes responsibility for targets and monitoring performance in relation to targets.

SUSTAINABILITY MANAGER

The Sustainability Manager is responsible for sustainability work within the Own Operations segment and reports to the SVP, Director of Sustainable Business. This person is assisted by at least one sustainability coach per hotel, who pursues sustainability efforts. The sustainability efforts are communicated quarterly via the Green Update report and at internal conferences held once or twice a year.

ALL EMPLOYEES

All employees of Pandox are responsible for incorporating sustainability into their work in accordance with the Company's policies and strategies.

Due diligence processes

GOV-4

The due diligence processes take place in various ways. Within property management, which takes place in both business segments, supplier audits are carried out on an ongoing basis. This covers environmental and social aspects as well as business ethics. This evaluation applies for five years before a new evaluation should be carried out. Suppliers are in the first instance entered in Stratsys, Pandox's digital system for due diligence evaluation. Here an initial risk assessment is performed for new suppliers. Suppliers whose risk profiles are red-flagged are asked to complete a self-assessment form. Stratsys asks follow-up questions and provides an opportunity for suppliers to give further information for all self-assessment forms that have red-flagged responses. This can move a supplier to an approved rating. To guarantee to the supplier that the assessment is independent, only Stratsys may make changes in the system. This step also contributes to more in-depth dialogue with suppliers and to the suppliers' development. For suppliers where deficiencies are identified, Pandox actively works to ensure that the supplier takes the necessary actions to become approved and continue to be a business partner. Should a company be flagged red even after the supplier has been given an opportunity to take action and add supplementary information, a decision by the internal procurement council is needed to allow an exception regarding continued cooperation with the supplier. They must also undergo an on-site inspection by an independent external party. If this is not possible due to the project already being completed, the supplier is red-flagged in the system and banned from further use. The audit process for high-risk suppliers described above is illustrated below in steps three to five. Pandox aims to ensure that all new suppliers are entered into Stratsys undergo relevant due diligence evaluation already at the contract-signing stage. This enables Pandox in the next step to require the supplier to approve and sign Pandox's Code of Conduct for Business Partners. These steps are illustrated below in steps one and two. Currently, supplier audits are mainly performed retroactively according to steps three to five, with spend data from the current year being collected and used as a basis to register and assess suppliers in the audit system.

Pandox's aim is to apply all of steps one to five on an ongoing basis during the year to ensure that new suppliers are proactively audited in connection with contract negotiations, rather than retroactively.

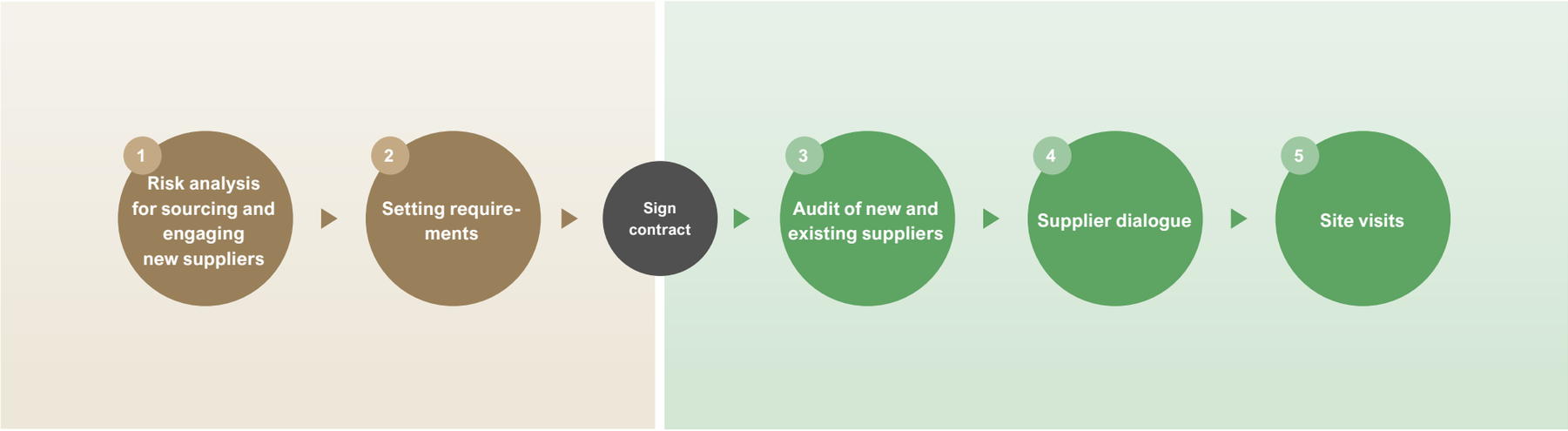
For hotels in Pandox's Own Operations the Group uses the Hilton Supply Management (HSM) system to ensure compliance with Pandox's requirements of suppliers. An estimated 80 percent of all purchasing within the Own Operations segment takes place through this system. Most of the remaining 20 percent consists of purchases made locally from small businesses.

For more information on the supplier audit process, see the "Business conduct" section.

Statement on due diligence

Core elements of due diligence	Items in the sustainability report	Page
a) Embedding due diligence in governance, strategy and business model	General (GOV-2, GOV-3, SBM-3)	95, 97–98
b) Engaging with affected stakeholders in all key steps of the due diligence	General (GOV-2, SBM-2, IRO-1)	97, 100–101
	Environment	101–105
	Social responsibility	126, 132–133, 134, 135
	Governance	138
c) Identifying and assessing adverse impacts	General (IRO-1, SBM-3)	100–105
d) Taking actions to address those adverse impacts	Environment	107–108, 116, 117, 119–120
	Social responsibility	126–127, 133, 134, 135–136
	Governance	138–140
e) Tracking the effectiveness of these efforts and communicating	Environment	109–112, 116, 11–118, 120
	Social responsibility	127–128, 133, 134, 136
	Governance incl. cybersecurity	139–140

SUPPLY CHAIN MANAGEMENT PROCESS



Sustainability strategy, business model and stakeholder perspective

SBM-1

Pandox's sustainability strategy is based on the double materiality assessment with a focus on, for example, activities that support science-based climate targets and that promote diversity and inclusion. The value chain is mapped as part of the assessment process. During the year no major changes took place within Pandox's operations and property portfolio that would impact the sustainability report, and the markets and tenants remain unchanged. Pandox still only operates in Europe. Revenue comes primarily from rental income and hotel operations, and is reported in the financial statements.

Business model and responsibility for the value chain

Within the Leases segment Pandox owns, develops and leases out hotel properties to established hotel operators. The leases are long term, revenue-based and have good minimum rent levels, enabling the parties to share risk in a balanced way. The second business segment, Own Operations, includes hotels that Pandox operates and develops itself.

Pandox is active throughout the value chain, from acquisition and property development, through leasing, technical maintenance and hotel operation, to remodelling, renovation and possible divestment of properties. The Company therefore has an influence throughout the hotel industry value chain, but its role and responsibilities with respect to sustainability differ between its business segments. Pandox has direct responsibility for sustainability topics its Own Operations segment, but is also able to influence other parts of the value chain by setting requirements for the suppliers and by working in cooperation with tenants. The extent of this influence is determined by the leases. Full control within Own Operations includes acquisition of existing properties, business model decisions, hotel operations, technical maintenance and operation, renovation, remodelling and extensions, and any divestment of properties. Full control within the Leases segment involves acquisition of existing properties and any decisions on divesting property. Other than this, Pandox's influence is different, with responsibility for the property and sustainability-related matters being shared between the tenant and Pandox. The division of responsibility is stipulated in the lease with the hotel operator and may vary depending on what is standard practice in different countries. The hotel operator is responsible for the hotel's day-to-day operation and for the interior of the hotel. Pandox is responsible for the building's exterior, technical maintenance and operation, development, more substantial renovations, and for remodelling and extensions. Responsibility for investment in technical installations varies between the Nordics and internationally, with the responsibility being significantly greater internationally. In general Pandox has greater responsibility for the properties in the Nordics than in other countries. The hotel operator is responsible for sourcing electricity, water, heating and cooling for the hotel. Pandox is therefore limited in its ability to influence the steps taken to reduce energy and water consumption at the hotel properties in the Leases business segment. The objective is to have an impact by creating common incentives for improvement within the framework of green addendums and other joint initiatives.

Sustainability is a central aspect of Pandox's strategy and is integrated into property investments through sustainable development. In 2023, for example, Pandox decided on an investment programme of MEUR 29. It was approved by the Board and is aimed at achieving emission reductions in Scope 1 and 2 of –42 percent CO_2. More information on actions and projects can be found on the pages presenting the respective ESRS standards further on the report. Sustainability is one of the Company's four value drivers and to achieve results, Pandox works actively on initiatives that reduce energy use and on property certifications, supplier audits and promoting equality and inclusivity in leadership. Sustainability, including management of sustainability risks, is taken into account in Pandox's strategic decisions, and in both acquisitions and divestments.

Pandox works in cooperation with a broad network of suppliers, particularly within construction and technical operations, as well as some other suppliers. Building con-

Acquisition of property with lease (1) or operated by Pandox (2)

SHARED RESPONSIBILITY

Leases (1)	ACTIVITIES	Own Operations (2)
Pandox	**Property development**	Pandox
Pandox	– Renovation	Pandox
Pandox	– Remodelling	Pandox
Pandox	**Equipment**	Pandox
Mainly Pandox	**Property maintenance**	Pandox
Tenant	**Property operation**	Pandox
Tenant	**Hotel operation**	Pandox
Tenant	– Personnel, organisational structure and management	Pandox
Tenant	– Marketing and distribution	Pandox
Tenant	– Purchase of materials and services	Pandox
Tenant	– Heating, energy and water	Pandox
Tenant	– Waste management	Pandox

Pandox
Mainly Pandox
Tenant

Divestment of property with lease (1) or operated by Pandox (2)

tractors are Pandox's largest suppliers. Throughout the value chain there are also many suppliers of goods and services that enable hotels to be operated. Customers and end-users include both tenants and hotel guests. The number of employees by geographic area is presented in topic-specific standard S1 – Own workforce on page 129.

SBM-2

The Company's key stakeholders are tenants/hotel operators, banks, shareholders and employees, all of whom have both a high level of interest in and a significant impact on the business. Other identified groups such as public authorities, the media, appraisers, brokers, professional and other organisations, suppliers, guests at Pandox's hotels and local communities are continually monitored to ensure there can be a balanced dialogue.

To guarantee that the perspectives of all stakeholders are considered, Pandox's stakeholder dialogue includes sending out a survey to tenants/hotel operators, banks and shareholders. This is part of the annual process of updating the double materiality assessment. The purpose has been to gather points of view from these groups on the Company's most material sustainability topics. The input gathered has been actively taken into account and integrated into the updated double materiality assessment.

All dialogue that Pandox has with its stakeholders is aimed at informing the Company of its stakeholders' views on the business. This enables Pandox to develop and improve. This dialogue is designed to provide the most effective exchange possible.

Tenants

Topics covered in dialogue with tenants are determined by the agreement and which issues are relevant to address. During the year these conversations were dominated by maintenance and development projects. In addition, a survey is sent out annually to all tenants with the aim of gaining a better understanding of their expectations with respect to Pandox's work.

Employees

Stakeholder dialogue with employees took place in 2023 as part of the double materiality assessment. An employee survey is also conducted at the head office and within the Own Operations segment annually. Read more under disclosure requirement ESRS S1 on page 125.

Investors, shareholders and other dialogue

Additional dialogue with shareholders and investors takes place on a quarterly basis in connection with interim reporting, through investor roadshows and informal meetings, and through surveys to determine what they want to see in the Annual Report. In 2025 Pandox continued its dialogue on green financing with its major lender. At the end of the year 41 (48) percent of Pandox's total loan stock was sustainability-linked financing. The decrease is due to fact that the percentage of loans that are not sustainability-linked increased in connection with the acquisition of Dalata. This dialogue clearly revealed the different stakeholders' requirements and expectations of Pandox, which has in turn impacted Pandox's strategic internal processes. Where relevant, or where they affect Pandox's strategic processes, Pandox's Board of Directors and executive management team are informed of the stakeholders' views.

Pandox also holds an annual Hotel Market Day focusing on trends and knowledge transfer. Invitations to this event are sent to Pandox's major stakeholders.

Pandox also has a dialogue with professional and industrial organisations on development opportunities, for example in connection with their evaluation of Pandox's sustainability work and results from surveys and assessments such as CDP and Sustainalytics.

Suppliers

Pandox has a structure for dialogue with suppliers through its supplier audit process. This allows Pandox to support and develop cooperation and to encourage suppliers to work in a more structured way on sustainability.

Materiality analysis and impacts, risks and opportunities (IROs)

IRO-1, IRO-2

Materiality assessment

Pandox has conducted a double materiality assessment (DMA) to determine material impacts, risks and opportunities (IROs). This process was carried out separately from Pandox's overall risk process. The materiality assessment has been performed in accordance with the most recent interpretation of CSRD and ESRS. The evaluation was conducted based on the principle of double materiality, according to which a sustainability topic may be material from one of both of the following perspectives:

- Impact materiality – Pandox's impact on people and/or the environment
- Financial materiality – sustainability topics that affect Pandox's financial circumstances

The double materiality assessment was carried out in five stages:

1. Understanding of the business model and value chain, and identification of a gross list of ESG topics
2. Process analysis and stakeholder dialogue
3. Assessment of impact materiality
4. Assessment of financial materiality
5. Materiality mapping and documentation

Understanding of the business model and value chain

A first step in being able to identify and assess impacts, risks and opportunities that are material for Pandox was to identify and understand the Company's business model and value chain. Key activities, resources and stakeholders were mapped along the value chain in order to clearly define the scope for continued assessment. All of Pandox's value chain was included in this assessment, which excluded future potential acquisitions or changes in the business model.

Gross list of all impacts, financial risks and opportunities (IROs)

A gross list of IROs was generated by assessing all topics including sub-topics and sub-sub-topics based on the ESRS topic list as they relate to Pandox's operations.

Process analysis and stakeholder dialogue as a basis for assessing material impacts, financial risks and opportunities (IROs)

Identified IROs were mapped according to each sub-topic in the gross list. Topics that are not included in the list but could be material for Pandox were also highlighted. The assessment identified risks and opportunities that may arise from impacts. Process analysis covers the entire Company and is not limited to specific operations, business relationships, geographical areas etc. Thus Pandox's entire value chain is included, such as hotels in the Own Operations segment, downstream tenants that operate the hotels in the Leases segment and upstream suppliers that Pandox uses – for example, suppliers in the construction industry. Benchmarking against external initiatives, such as SASB standards, CSR Risk Check, ThinkHazard, Transparency International, as well as the WWF Biodiversity Risk Filter and Water Risk Filter, was also carried out through a desktop review.

Climate-related physical and transition risks were identified in Pandox's climate risk system and in climate risk reports prepared by an external party. Also taken into account was Pandox's climate scenario analysis carried out according to the Task Force on Climate-related Financial Disclosures (TCFD) recommendations, where climate-related impacts associated with greenhouse gas emissions, pollution, water and circular economy were identified through mapping and analysis of Pandox's locations/areas of business. The assessment was conducted for the geographical locations where Pandox has its properties, and for the materials used in Pandox's own operations as well as in the value chain. Key activities in the value chain were also evaluated to gain an understanding of nature-related consequences and dependencies in the value chain. The assessment showed that none of the locations where Pandox operates has significantly sensitive biodiversity, and no properties are located in or near Key Biodiversity Areas. Pandox's hotels are situated in urban environments. The hotels' geographical locations were also analysed to determine if they are in water-stressed areas, which several properties are, especially in Belgium and the UK. To read more about scenario analysis, see pages 113–115.

Knowledge gained internally, for example from mapping cooling systems and air conditioning in Pandox's property portfolio, as well as in the industry, such as commonly occurring pollutants in the industry, were taken into account when identifying IROs in E2.

Previous studies of waste performed to understand the

waste streams at each hotel have been taken into consideration as regards circular economy. An external study of the climate impact of bathrooms was also included.

Pandox's impacts associated with human rights were identified through a Human Rights Impact Assessment (HRIA) and included stakeholder dialogue and due diligence processes within all business segments. The HRIA provides the basis for mapping the level of understanding of human rights throughout the value chain.

To ensure that the analysis covered all topics in the gross list, as well as additional potential topics not yet identified, 10 relevant stakeholders – four internal and six external – were interviewed. The interviews were conducted by a third party. The 2025 double materiality assessment process included additional perspectives on the most material sustainability topics. Pandox also obtained points of view and input from its largest partner banks, hotel operators/tenants and shareholders. This was done through a survey. The purpose of the survey was to allow each respective stakeholder to provide input on each sustainability topic and, in the case of prioritised topics, describe which impacts, risks and opportunities they considered the most relevant within the area. This input has formed the basis for the assessment work and has helped to ensure that the stakeholders' priorities are reflected in the result.

In the DMA process no proposals were included from local experts or specifically affected communities regarding pollution or water and marine resources as Pandox believes that sufficient relevant knowledge has been obtained within these areas. Local experts are, however, involved in BREEAM certifications for example.

Assessment of material impacts, financial risks and opportunities (IROs)

The identified IROs were divided into short-, medium- and long-term and specified for various parts of the value chain. They were then graded for impact and financial materiality on the basis of the criteria in ESRS 1 General requirements.

Negative impacts were graded based on the severity of the impact – a combination of scale, scope and irremediable character – and the likelihood of the impact. Severity prioritises the likelihood of impacts on human rights. Positive impacts were graded based on scale, scope and likelihood. Financial risks and opportunities were graded based on the potential magnitude of the risk or opportunity, and its likelihood.

In the 2025 process relevant thresholds for quantitative grading were set in consultation with Pandox's sustainability team, representatives from the executive management team, relevant individuals within Pandox and external consultants. The parameters that are unlikely to occur, except in the case of impacts on human rights, or are of low severity/magnitude fall below the threshold and are not included in the scope of the reporting.

Mapping of materiality and documentation

The preliminary results of the double materiality assessment were validated by representatives of Pandox's sustainability team and executive management team, after which final adjustments were made. The outcome of the materiality assessment was that out of the 26 sustainability topics, 10 ESRS topical standards were material, with 20 material sub-topics, one of which was company-specific.

The outcome of the 2025 materiality assessment compared with 2024 mainly involves clarification and certain adjustments in the number of IROs in the outcome. The outcome was adjusted mainly as a result of a detailed review of all IRO descriptions and an evaluation carried out with relevant experts on the topics within the organisation. The main change is an impact relating to prostitution and trafficking, which has been reclassified from S4 (end-consumers) to S3 (local communities), as this impact applies to the community rather than hotel guests.

Within E1 – Climate change, the previous IROs remain in place. However, a new material impact has been added to the transition plan, as well as a risk relating to tenants' requirements for energy efficiency improvement in the properties. Financial risks relating to taxes, observations and energy shortages are now considered non-material. The same is true for two financial opportunities linked to BREEAM certification and climate transition, which have been downgraded. In E2 – Pollution, material financial risks linked to refrigerants have been added, while one previous risk relating to building materials is considered not material. Within E5 – Resource use and circular economy, two risks relating to increased material prices and waste costs have been downgraded and instead impacts relating to harmful construction waste generated and food waste generated within hotel operations have been added. Changes with respect to social standards are mainly clarifications, but one new negative impact concerning forced labour within tourism related to work environment risks for agency staff has been upgraded. The difference between S1 – Own workforce and S2 – Workers in the value chain has been clarified by removing irrelevant IROs in S2 that mainly related to impacts for employees within the organisation's own workforce. Work environment risks such as heavy lifting, slip and injury incidents have been upgraded as a negative impact for agency staff in S2.

Within Pandox's company-specific disclosure on cybersecurity a financial risk linked to processing of personal data has been added. Past financial risks relating to value discrepancies, bribery and corruption, as well as potential negative impacts relating to inclusion and missing audits for smaller suppliers have been downgraded within G1 – Business conduct. Finally, a positive impact through training in the Code of Conduct is considered material compared with the previous year within G1.

The results of the materiality assessment have been communicated to the Board of Directors for information and to enable the Board to have an influence. A further, more detailed review of the results and processes was carried out with individual members of the Board in the Audit Committee. Pandox's process is to perform an annual review of the materiality assessment, taking into account any changes in the Company's value chain, operations, industry practices and new insights.

The sustainability information that is to be reported has been assessed based on the material IROs identified for each sub-topic. All datapoint lines in material standards have been assessed to ensure full and material reporting. Disclosure requirements for which there are no related material IROs have been excluded from the sustainability information, and in cases where company-specific disclosure requirements have been identified as necessary, these have been prepared and included.

Other disclosure requirements linked to general disclosures for IRO-2 in ESRS 2 continue in the ESRS index in the appendix.

SBM-3

The results of the double materiality assessment provide a strategic basis for the Company's sustainability efforts and are integrated into the business model. All identified material impact, risk and opportunity perspectives are presented in the table on the next page. Pandox has introduced methods to manage its material impacts, risks and opportunities, including relevant measures, governing documents and objectives. Descriptions of the above can be found under the respective standard in this report.

Pandox reports according to the Task Force on Climate-related Financial Disclosures (TCFD), and this constitutes a key part of the Company's climate risk assessment. This analysis highlights potential financial impacts as well as effects on Pandox's strategy and operations. It also includes a sensitivity analysis and an assessment of potential financial impacts resulting from identified risks as well as Pandox's actions to address these. The analysis also illustrates how the Company's financial position may be impacted if these measures are not implemented. The outcome of the TCFD analysis is described in more detail on pages 113–115 in this report.

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

SBM-3

Material impacts, risks and opportunities (IROs) were analysed in the double materiality assessment. Within some sub-topics no financial risk or opportunity was identified.

	IRO descriptions	Type of IRO	Where in the value chain			Time horizon		
			Upstream	Pandox's operations	Downstream	Short term	Medium term	Long term
E1 Climate change								
Climate change adaptation	Some of Pandox's properties may potentially face risks such as extreme weather, floods and rain, which in the worst case scenario could make them unusable, particularly in countries that are vulnerable to flooding. This could result in high costs for repairs and restoration, as well as a need for large investments for adaptations; for example, the installation of cooling systems to improve the indoor climate.	Financial risk	○	●	●	●	●	●
Climate change mitigation	Pandox operates in an industry that contributes significantly to GHG emissions. Buildings account for a large proportion of emissions in Europe and hotel operations are both energy- and emissions-intensive. Pandox contributes to emissions through its Scope 1, 2 and 3, with Scope 3 generating the majority of emissions.	Actual negative	○	●	●	●	●	●
	If Pandox does not succeed in its green transition – for example, by not reaching the established SBTi targets – this could lead to negative impacts in the form of continued carbon emissions.	Potential negative	○	●	●	○	○	●
	Older properties may be too expensive to adapt to meet new statutory requirements, which could lead to increased costs for Pandox.	Financial risk	○	●	●	○	●	●
Energy	Most of Pandox's suppliers within property management operate within the construction industry where production of materials is energy-intensive, and energy consumption at building sites has an impact. Pandox is dependent on these suppliers and services for management of the properties.	Actual negative	●	○	○	●	●	●
	Many of the hotels that are operated or managed by Pandox in Europe are heated with natural gas, a fossil fuel with high GHG emissions.	Actual negative	○	●	●	●	●	●
	Hotel operations require large amounts of energy. The majority of emissions (Scope 3) are caused by Pandox's tenants. Here Pandox has limited influence and needs to have a different type of partnership to create incentives for energy efficiency improvement.	Actual negative	○	●	●	●	●	●
	Pandox's tenants may demand higher standards of energy efficiency through renovation, such as better insulation. This may involve Pandox increasing its investment to meet these expectations.	Financial risk	○	●	○	●	●	●
	Investing in more energy-efficient buildings and equipment can save resources and energy costs.	Financial opportunity	○	●	○	○	○	●
E2 Pollution								
Substances of very high concern	Products used in Pandox's operations, particularly in cooling and climate control systems, may contain substances with a high environmental impact where there is a risk of leaks, both during operations and at the end of their life cycle. For example, refrigerants are used in refrigerators, freezers and air conditioning units, and certain substances are classified as particularly harmful according to REACH and the F-gas Regulation. As more air conditioning systems are installed in response to rising temperatures, the risk of emissions of climate-impacting F-gases increases.	Actual negative	○	●	●	●	●	●
	Under the EU F-gas Regulation, the use of refrigerants with a high climate impact – such as HFCs – is to be gradually phased out from cooling, ventilation and heat pump systems. For Pandox this involves a transition risk with potentially increased costs for replacing or upgrading older equipment that contains these substances.	Financial risk	○	●	○	○	○	●

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)			Where in the value chain			Time horizon		
	IRO descriptions	Type of IRO	Upstream	Pandox's operations	Downstream	Short term	Medium term	Long term
E3 Water resources								
Water	Hotels require large volumes of water and the amount of wastewater generated by laundering, showering, rinsing and flushing can impact local wastewater systems. This can add strain to water infrastructure that is already strained in water-stressed cities such as London and Brussels.	Actual negative	○	●	●	●	●	●
E5 Resource use and circular economy								
Resources inflows, including resource use	As a property owner and manager, Pandox carries out extensive construction and renovation projects. Pandox has a negative impact through its choice and use of materials, especially the use of raw materials. Some materials depend on the use of virgin resources. Since the construction companies hired are usually full-service contractors, there is a lack of insight into the purchasing practices for the materials and the impact this may have had on people and the environment.	Actual negative	●	○	○	●	●	●
	As a property owner and hotel operator in the Own Operations segment, Pandox carries out renovation projects involving major purchases of hotel equipment. Pandox impacts the environment and people when choosing new materials over re-used ones.	Actual negative	●	○	○	●	●	●
Waste	Construction waste is generated in connection with renovation and remodelling, where there is a particular risk of hazardous waste. A lack of insight among building contractors into their subcontractors' practices increases the risk of this not being disposed of correctly.	Actual negative	○	●	○	●	●	●
	Hotel operations generate waste per guest night, where a large proportion of the waste at the hotels operated by Pandox comes from single-use packaging of purchased goods.	Actual negative	○	●	○	●	●	●
	Food waste from hotels contributes to negative environmental impacts and inefficient resource use.	Actual negative	○	●	○	●	●	●
S1 Own workforce								
Working conditions	Pandox has operations in countries where freedom of association is violated, such as the UK. Lack of opportunities for trade union organisation and collective bargaining agreements can increase the risk of worsening working conditions.	Potential negative	○	●	○	○	●	○
	The safety of hotel staff can be an area of risk, especially at night. Cases of discrimination, harassment and threats have occurred against employees who work at reception in hotels operated by Pandox. Threats from guests also represent a risk, and have been noted for restaurant and cleaning staff. The latter group is particularly vulnerable as these individuals sometimes work alone.	Actual negative	○	●	○	●	●	●
	The hotel and restaurant sector faces significant occupational health and safety risks, such as in connection with heavy lifting, slip and injury incidents, burns, cuts and chemical exposure, particularly for cleaning staff.	Actual negative	○	●	○	●	●	●
	Pandox-operated hotels have restaurant and cleaning operations, areas where overtime and stress can occur. In the long run, this may increase the risk of burnout.	Actual negative	○	●	○	●	●	●

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)			Where in the value chain			Time horizon		
	IRO descriptions	Type of IRO	Upstream	Pandox's operations	Downstream	Short term	Medium term	Long term
S1 Own workforce, continued								
Equal treatment and equal opportunities for all	Migrant workers within the hotel industry, especially kitchen and cleaning staff, are at risk of discrimination in terms of employment conditions and career opportunities. This industry often includes vulnerable groups, which increases the risk.	Potential negative	○	●	○	○	●	○
	Despite the fact that women make up the majority of employees in the hotel industry, they are underrepresented in senior positions. This can create feelings of exclusion and make it more difficult to build an inclusive and equal work environment.	Potential negative	○	●	○	○	●	○
	Many aspects of hotel work can be physically demanding. As employees get older, they may find it difficult to perform the same tasks as previously, which may require adjustments to their duties. Half of the workforce in Belgium is considered to be older adults.	Actual negative	○	●	○	●	●	●
	Diversity and inclusion, as well as employee satisfaction, may help to improve collaboration and efficiency within the Company, and to identify new opportunities and solutions. An effective strategy for attracting and retaining employees reduces Pandox's costs for training and employee turnover, and can also increase business opportunities.	Financial opportunity	○	●	○	○	●	○
Other work-related rights	Within the hospitality industry there is a risk of forced labour occurring, particularly among cleaning and restaurant staff. This problem exists in several markets, including the UK.	Potential negative	○	●	○	○	○	●
S2 Workers in the value chain								
Equal treatment and equal opportunities for all	Discrimination against migrant workers as regards working hours and wages, as well as opportunities for promotion, occurs in the tourism sector.	Potential negative	●	○	○	○	●	○
Working conditions	There is a risk of forced labour and low wages among agency staff in cleaning, particularly those without a work permit. There is therefore a particular risk of labour rights violations within the industry.	Potential negative	●	○	○	○	●	○
	When agency staff are used for cleaning there is a risk of illegal labour and wage dumping. A lack of insight into suppliers' working conditions increases the risk of exploitation and unsafe working conditions.	Potential negative	●	○	○	○	●	○
	There may be occupational health and safety risk factors within the hospitality industry, such as heavy lifting, slip and injury incidents, cuts and burns. Agency staff in cleaning are also at risk from chemical exposure.	Potential negative	●	○	○	○	●	○
	Further along the value chain among subcontractors, particularly in the coffee and tea industries, there is a potential risk of forced and child labour.	Potential negative	●	○	○	○	●	○
	Renovation projects in Pandox's value chain are carried out by external contractors, which brings a risk of illegal and forced labour. Limited insight into working conditions at building sites increases the risk of exploitation.							
	• Illegal labour practices, such as unpaid overtime and undeclared labour.	Potential negative	●	○	○	○	●	○
	• Forced labour, for example unpaid work or when ID documents are confiscated.	Potential negative	●	○	○	○	●	○
	Construction work within Pandox's value chain involves stressful working conditions to meet deadlines. There is therefore a risk of safety routines not being followed at the workplace. Since Pandox usually uses full-service contractors, it is difficult to have clear insight into the working conditions of various categories of workers who may be employed via agencies or third parties.	Potential negative	●	○	○	○	●	○

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)			Where in the value chain			Time horizon		
	IRO descriptions	Type of IRO	Upstream	Pandox's operations	Downstream	Short term	Medium term	Long term
S3 Affected communities								
Human rights and social impacts in the local community	Hotel operations are associated with the risk of prostitution, human trafficking and sexual abuse, and shortcomings in the management of this risk may lead to human rights violations.	Potential negative	○	●	○	○	●	○
S4 Consumers and end-users (tenants and hotel guests)								
Personal safety of consumers and/or end-users	There is a risk that hotel guests will be exposed to inappropriate behaviour or harassment from other guests or people in the vicinity of the hotel. Even if these types of incidents are not necessarily caused by Pandox directly, shortcomings in safety procedures, insufficient staff training or a lack of clear procedures for guests in Pandox-operated hotels can contribute to an unsafe environment.	Potential negative	○	●	○	○	●	○
Social inclusion of consumers and/or end-users	Pandox can contribute to inclusion by ensuring that its properties are accessible to all and by offering a reasonable number of accessible rooms at its hotels and properties.	Potential positive	○	●	○	○	●	○
G1 Business conduct								
Corporate culture	Through frequent digital training in areas such as the Code of Conduct for all employees, Pandox is helping to increase ethical awareness and reduce the risk of violations, and is enabling employees to better handle difficult situations.	Potential positive	○	●	○	○	●	○
	Pandox has a positive impact on its employees through a corporate culture that encourages feedback. There is an openness to trying new ideas and exploring development opportunities that may work and benefit the Company.	Potential positive	○	●	○	○	●	○
Management of relationships with suppliers	Building materials are sometimes produced in a socially unsustainable way. Pandox does not have a large purchasing department and is therefore dependent on its contractor partners for purchasing most of the materials needed. There is often close dialogue with these partners, but it is difficult to ensure that the products are produced in a way that accords with Pandox's values and social sustainability principles.	Potential negative	●	○	○	○	●	○
Corruption and bribery	There is a risk of corruption in the industry, especially when procuring goods and services. There is also a risk of bias when contracts are signed.	Potential negative	●	○	○	○	●	○
Company-specific disclosure – Cybersecurity								
Cybersecurity (Company-specific disclosure)	In its role as a hotel property company, Pandox – through its operators – handles large quantities of hotel guest personal data and sensitive information, such as identity and payment data. A data breach or unauthorised access to this information can have serious consequences for the individuals involved. The digital threat is fast evolving, and today's systems are facing more and more complex and prolonged security challenges. This puts significant pressure on technical solutions and information management procedures, particularly at Pandox-operated hotels where the Company is directly responsible for safety. Cybercrime is generally increasing in society.	Actual negative	○	●	○	●	●	○
	Through its hotel operators, Pandox handles large quantities of personal data, including sensitive information such as payment and identity data. A data breach or unauthorised access can result in increased costs, legal consequences and harm to the Company's reputation. As the digital threat is evolving quickly, high demands are placed on the safety and resilience of the systems used.	Financial risk	○	●	○	○	●	○

Environmental information

GENERAL INFORMATION

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ENVIRONMENTAL INFORMATION

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E1 Climate change

Employees | Business partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

	Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
E1	Climate change adaptation	Negative impact	• Environmental Policy • Code of Conduct for Employees • Code of Conduct for Business Partners	• Annual risk assessments in the climate risk assessment tool • Site visit with flooding checklist (started Q3 2025) • Certification of buildings	• There are no specific targets for climate change adaptation – instead this is explained by activities and actions	• Site visits 2025: 3 • Certified properties: 17
	Climate change mitigation	Negative impact, financial risk	• Environmental Policy • Code of Conduct for Employees • Code of Conduct for Business Partners	• Green 3.0 climate transition plan • Plan for Scope 3 emissions in development • Green Module aimed at driving behavioural changes	• Scope 1 and 2: 42% reduction by 2030 • Scope 3: 25% reduction by 2030 • 85% of the hotels > 8 in PMI index	• Scope 1 and 2: –32% • Scope 3: –20% • PMI index: 82% of the hotels > 8
	Energy	Negative impact, financial risk and opportunity				

Policies

E1-2

Pandox's strategic sustainability efforts are based on the Company's overall Sustainability Policy, which has been developed based on the double materiality assessment. An integral part of the policy is Pandox's climate targets according to the Science Based Targets initiative (SBTi). Within the framework of the policy, it is clear that all employees are expected to actively contribute to achieving these targets in their daily work.

Pandox also has an Environmental Policy – a key policy document that guides the Company's work on environmental topics. This policy is based on the environmental principles set out in the UN Global Compact as well as relevant legislation in the countries where Pandox operates.

All employees and business partners are expected to comply with the Environmental Policy – creating a coherent governance structure in which the policy provides the detailed framework, while the codes of conduct for employees and business partners ensure compliance throughout the organisation and the value chain.

The Environmental Policy underscores the importance of both climate change mitigation and climate change adaptation within the business, and describes how Pandox will work to reduce greenhouse gas emissions in its two business segments – through, for example:

- Prioritising renewable energy sources (wind, solar, hydroelectric, geothermal)
- Installing new technology for energy efficiency and monitoring
- Action to strengthen resilience to climate-related risks, such as floods and extreme precipitation

All the policies are approved by the Board and updated annually. They are available on the Pandox website, making them easily accessible to employees, business partners and other stakeholders. The Code of Conduct for Business Partners is also actively distributed via the digital supplier audit system. The CEO and the executive management team are ultimately responsible for implementation of and compliance with the policy.

Actions

E1-1, E1-3

Climate transition plan for Scope 1 and 2 (Green 3.0)

For the Own Operations segment (Scope 1 and 2), in September 2023 the Board approved a climate transition plan totalling MEUR 29, which is expected to generate annual savings of around MEUR 3. The plan encompasses 13 properties. The climate transition plan's primary purpose is to contribute to reducing emissions in Scope 1 and 2, and involves Pandox focusing on lowering dependence on fossil fuels. This is to be achieved by increasing energy efficiency and by phasing out natural gas in favour of heat pumps. Additional priorities include increasing the share of renewable energy and changing behaviours in the hotel operations. Phasing out gas is expected to account for 22 percent, behavioural change which also includes occupancy sensors in e.g. guest rooms and meeting rooms for 15 percent and property automation AI solutions for 7 percent. During 2025, measures to lower the peak load were installed ahead of future heat pump installations. Detailed studies of equipment and technical choices for both ventilation and heating systems have been carried out. This paves the way for the procurement of the installations that will begin in 2026 for the first hotels. These studies are not classified as CapEx and are therefore not taxonomy-aligned. It is expected that installation work can be mapped to the Taxonomy activities, which are specified in the table "Actions within the climate transition plan". The activities within the plan will contribute to improved energy ratings as well as emission reductions. There is no communicated target to achieve a rating of A or B according to the criteria in 7.7, since Pandox has mainly older properties where making such a significant energy shift cannot be justified commercially. More information can be found in the reporting according to the EU Taxonomy on page 123.

ACTIONS WITHIN THE CLIMATE TRANSITION PLAN

Actions[1,2]	Degree of completion (%)	Share of investment budget (%)
Submeters	88	88
Heat optimisation	61	44
Building management systems (BMS) and occupancy sensors (Smartroom)	61	53
Shower heads	43	20
Heat pumps	36	7

[1] All actions to be completed in 2027
[2] All actions reported as aligned CapEx in Taxonomy reporting

Achieving the climate goals for the Own Operations segment also requires behavioural change among employees. Pandox has therefore implemented a green module in PMI, the system where hotel general managers monitor elements

E1 cont.

such as revenue and guest nights on a daily basis. In the module the sustainability targets are broken down into the six categories that have the greatest impact on the hotels we operate: energy, water, waste, food waste, towels and linens, and chemicals. Activities that are expected to make the most impact have been linked to each category. The categories are weighted according to materiality using an aggregate index of 1–10. The index is called the PMI index.

Climate transition plan for Scope 3

The climate transition plan for Scope 3 is currently being produced. Similar initiatives as for Scope 1 and 2 will be implemented here as well. There will also be projects to reduce emissions during renovation and remodelling, for example by prioritising sustainable materials choices and reduced waste. This is because bathroom upgrades are the most common form of renovation carried out by Pandox. A partnership has been initiated with Scandic to develop guiding principles that consider climate aspects in bathroom renovations. The goal is to prioritise upgrades over tearing out fully functioning bathrooms. If renovations are nonetheless necessary, these must be made sustainable both over time and for the climate. The aim is to reduce emissions and contribute to achieving the science-based target for Scope 3 without compromising on guest comfort, design or operating costs. During the year test bathrooms were developed that were approved by Scandic, as a result of which the new concept will be rolled out.

During the year Pandox also implemented various initiatives to strengthen energy performance and reduce climate impact within the property portfolio. One of the most extensive projects is the installation of a solar energy park with associated battery storage at Scandic Luleå. This initiative means that the hotel can now cover around 15 percent of its electricity consumption using electricity from the solar park. The battery storage enables shifting energy over time and provides support for the power grid. Pandox has also initiated a pilot project for AI control of heating systems. Continuous analysis and adjustment of heat production based on actual needs and external conditions will both lower the hotel's energy consumption and improve guest comfort. In addition, three new projects with Leonardo were approved by the Board of Directors during the year. These projects combine business development with energy efficiency and aim to integrate sustainability goals into everyday operations. The projects strengthen the competitiveness of both Pandox and the hotels, and contribute to long-term value creation while also reducing environmental impact.

All the above actions will contribute to achieving the target set and will form important elements of the plan for Scope 3 that is in the process of being developed.

Climate adaptation of buildings and certification

Climate adaptation of buildings has been a material sustainability topic for Pandox since 2021. In 2024 a workshop was held for the executive management team on the theme of climate change. Pandox used the scenario analysis methods recommended by the TCFD. At the workshop various climate scenarios were analysed to identify short-, medium- and long-term climate-related risks and opportunities, and how these would impact the Company. The analysis performed in 2021 was based on two climate scenarios – worst case and best case. The updated workshop in 2024 analysed three climate scenarios: a worst case scenario where the world fails to transform, emissions continue to increase and the physical risks associated with climate change occur; a middle case scenario where the world implements certain measures to reduce emissions; and a best case scenario where the world successfully collaborates, transforms societies and meets the Paris Agreement's 1.5 ºC goal. Read more about the results on pages 113–115. The purpose of the workshop was to create awareness about climate-related risks and to discuss ways in which Pandox can integrate the climate perspective into its strategy, operations, properties and finances for various potential future climate scenarios.

Pandox has identified material sustainability-related risks and opportunities (IROs) related to climate adaptation, particularly as regards physical risks such as extreme weather, flooding and heavy rainfall. To manage these risks, climate risk assessment is carried out for all properties using a specialized climate risk tool that assesses exposure to natural disasters and climate-related threats. High-risk properties undergo a desktop analysis, with a review taking place annually to take account of changes in the portfolio. During the year site visits were also conducted to three properties with a particularly high flood risk. The aim was to evaluate existing climate adaptation measures, identify any shortcomings and develop concrete action plans. These visits now form a basis for continued work to strengthen the properties' resilience to climate change. This structured process ensures that the efforts are matched to needs and contribute to reducing climate-related risks throughout the property portfolio. The visits are conducted by an external party in connection with Pandox's regular risk inventory.

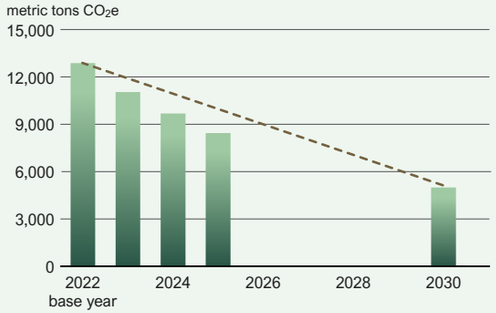
Pandox is also working to minimise risk through certification of the hotels within the Own Operations segment under the BREEAM In-Use framework, which promotes measures that increase a building's resilience. This may include improvements in a building's design, material choices and operating systems. Pandox aims for its buildings to be certified to BREEAM In-Use and Green Key. The goal for BREEAM In-Use is to achieve the level Very Good. The certification process involves assessment and a scoring system for energy, transport, water, resources, pollution, health & wellbeing, land use & ecology, resilience and management. In the Own Operations segment Pandox has streamlined the way it works towards certification based on lessons learnt from past processes.

To obtain certification for properties in the Leases segment, Pandox and the tenant need to be in agreement and work together – for example, as regards upgrades of systems and technical installations. Significant commitment by the tenant's employees is also required in order to obtain the necessary documentation. Various routines must also be integrated into the hotel operator's day-to-day schedules and maintenance plans. At present there are no specific targets associated with properties in the Leases segment, as these depend on the tenants' engagement and priorities. Pandox maintains a continuous dialogue with tenants regarding BREEAM certification of properties, and in the future will initiate dialogue and propose actions relating to climate risks in the properties where this is relevant.

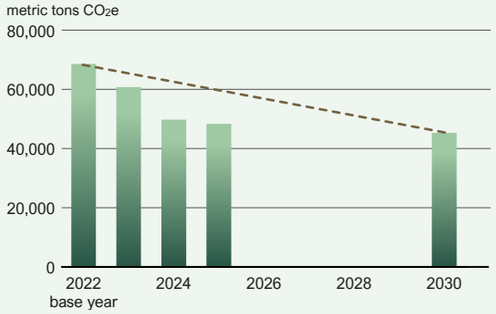
If the activities require additional resources or investments, this is dealt with during the financial planning process. The effectiveness of the activities is reported in the number of BREEAM certifications, which among other things contributes positively to the efficiency metric energy consumption per guest night and square metre.

PANDOX'S CLIMATE TARGETS

Own Operations (Scope 1 & 2)



Leases (Scope 3)



E1 cont.

Targets and outcomes

E1-4

Scope 1, 2 and 3

Pandox has approved science-based targets (SBT) and has committed to reducing GHG emissions in the Own Operations segment (Scope 1 and 2) by 42 percent and within the Leases segment (Scope 3) by 25 percent by 2030, from a 2022 baseline. These targets are in line with the Paris Agreement's goal of limiting temperature rise to 1.5 °C. The target for Scope 3 includes only category 1 (Remodelling and renovations of properties) and all of category 13 (Downstream leased assets). Follow-up of the targets is based on the consolidated like-for-like outcome, which is generated and validated internally. The baseline year was chosen to reflect the most recently available emission data, i.e. the most reliable data with a representative year for Pandox's emissions in Scope 1, 2 and 3. The baseline year must be recalculated every five years. In the event of more significant changes in the portfolio, the baseline is recalculated to continue representing a correct baseline. The recalculation principles are described in more detail in the reporting principles in the appendix. The target is not expected to be achieved by a straight-line reduction; rather, a target has been set for 2030 and the pathway to reach it need not necessarily be linear. Although Pandox does not have a separate target for energy consumption, the topic of energy is followed up and measured through the above SBTi targets. This is because the largest emissions are linked to energy consumption and are thus included in Scope 1, 2 and 3.

Outcomes are reported as disclosures E1-5 and E1-6 under ESRS and in accordance with associated reporting principles specified in this section. Pandox monitors activities in the area of climate change to ensure progress towards set targets. The emission calculations have been validated by SBTi in connection with approval of the targets and were developed together with a third party.

Certification of buildings

Pandox's goal is for all of the hotel properties in the Own Operations segment to be certified to BREEAM In-Use at the Very Good level no later than 2030. In addition, the Company aims for the hotel operations to be Green Key certified by a third party within two years of Pandox taking over, assuming that no other relevant environmental certification already exists. Green Key is an internationally recognised environmental certification in the tourism industry which ensures that concrete environmental actions are implemented.

The targets set have been developed internally by Pandox to meet the Company's sustainability requirements and enable strategic work on environmental topics related to property management. The targets are not based on scientific methods or external frameworks, but rather have been formulated and validated within the organisation. However, the certifications used to follow up on the target, BREEAM In-Use and Green Key, are established and internationally recognised standards. Certification outcomes are validated in cooperation with independent third parties, ensuring transparency and reliability in reporting.

Follow-up is conducted by reporting the number of certified properties at the end of the year. As of 31 December 2025 the number of BREEAM-certified properties at the Very Good level was 16, consisting of 14 in Own Operations and two in Leases. One additional property in the Leases segment was certified after the end of the period. All 23 properties in the Own Operations segment were also third party-certified to Green Key or another relevant environmental standard within two years of takeover. The results show that Pandox is well on the way to achieving its target of full BREEAM certification by 2030, while at the same time strengthening sustainability efforts in hotel operations through established certification systems.

Green Module

As part of Pandox's internal follow-up of sustainability efforts within Scope 1 and 2, a special PMI index is used which has been developed by Pandox in collaboration with an independent third party. The index aims to measure behavioural changes linked to energy efficiency and environmental improvement measures in hotel operations.

The target levels for the index are interim targets, designed to provide a clear direction in ongoing sustainability work. The PMI index has a three-year target structure defined by verified performance data from previous years and includes annual target levels for continuous improvement. For 2025 the target was for 85 percent of the properties to achieve a PMI value of > 8. For 2024 the target was for 80 percent of the properties to achieve a PMI value of > 7.

These targets are not based on scientific methods or external frameworks, but rather have been formulated and validated internally by Pandox in consensus with a third party.

Unlike traditional climate targets, the index does not have a fixed baseline year. Instead, each year's outcome is based on current annual data. This allows for more direct follow-up of actions and behavioural changes during the year in question.

The outcome for 2025 was that 82 percent of the hotels achieved a value of more than 8. For those hotels that have underperformed, i.e. that received a score of less than 8, it is possible to see a clear link to the changes in management that took place during the year.

Boundaries of targets and outcomes for material IROs

No specific target or outcome has been established for following up activities related to physical climate risks in the property portfolio. Climate risk assessments are, however, followed up annually for all properties in accordance with the requirements of the EU Taxonomy and through the site visits that have been introduced as part of climate risk assessment and certification of the properties. In view of this, it is not currently considered relevant to set measurable targets for this risk; instead the activities and actions planned and implemented are considered sufficient to manage the risks identified.

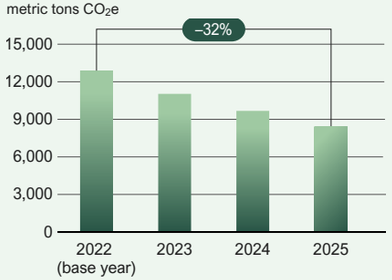
Reporting principles

In addition to the consolidated outcome that is aligned with the financial reporting, Pandox reports like-for-like outcomes. As described on page 95, this means excluding full-year data for hotels that were reclassified, closed or divested/acquired before six months preceding the end of the reporting period. Reporting principles for all metrics within the standard can be found in the appendix on page 154.

REDUCED GHG EMISSIONS

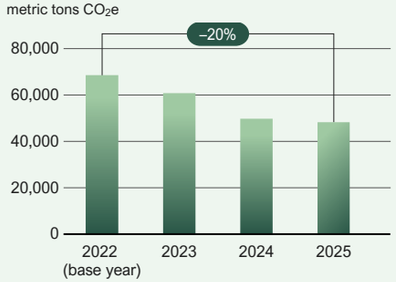
Own Operations (Scope 1 & 2)

Target 2030: –42% | Outcome 2025: –32%[1)]



Leases (Scope 3 Category 1[2)] and 13)

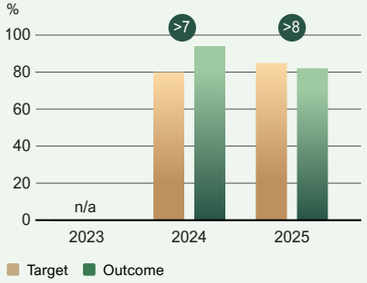
Target 2030: –25% | Outcome 2025: –20%[1)]



[1)] Compared with the baseline year of 2022.
[2)] Construction, remodelling, renovation.

GREEN MODULE

Target 2025: 85% >8.0 | Outcome 2025: 82%



E1 cont.

Climate change mitigation

E1-6

(metric tons CO_2e)	Consolidated outcome like-for-like			SBTi targets and outcome for the year[1]			Consolidated outcome (aligned with financial report)		
	2025	2024	Δ%	2030	2022 Base year	Δ% against base year	2025	2024	Δ%
Total Gross indirect (Scope 1 and 2) GHG emissions (market-based)	**8,280**	**9,680**	**–14%**	**–42%**	**12,262**	**–32%**	**8,490**	**10,890**	**–12%**
Total Gross indirect (Scope 1 and 2) GHG emissions (location-based)	**13,047**	**12,657**	**+10%**		**16,125**		**13,923**	**13,284**	**+5%**
Scope 1 GHG emissions									
Gross Scope 1 GHG emissions	7,178	6,659			8,111		7,225	6,659	
Biogenic emissions in Scope 1	919	906			949		919	906	
Scope 2 GHG emissions									
Gross location-based Scope 2 GHG emissions	5,868	5,998			8,014		6,698	6,625	
Gross market-based Scope 2 GHG emissions	1,102	3,021			4,151		1,266	4,231	
Total Gross indirect (Scope 3) GHG emissions	**82,704**	**86,479**			**89,931**		**85,465**	**87,870**	
Total Gross indirect (Scope 3) GHG emissions, category 1 (construction, remodelling, renovation) and category 13 (downstream leased assets)	**48,315**	**49,769**		**–25%[2]**	**60,372**	**–20%[2]**			
1. Purchased goods and services	33,384	37,398			27,218		33,384	37,398	
– of which new construction, remodelling, renovation of properties	*1,853*	*3,455*			*8,923*		*1,853*	*3,455*	
3. Upstream production of fuel and energy	3,058	2,767			2,241		3,058	2,767	
13. Downstream leased assets	46,462	46,314		0%	51,449	–10%	49,023	46,705	
– of which based on measured data from tenants	*42,882*	*43,661*			*49,168*		*45,432*	*43,661*	
– of which standard calculations for other tenants	*3,581*	*2,653*			*2,281*		*3,591*	*3,044*	
Total GHG emissions									
Total GHG emissions (location-based)	95,751	99,136			106,056		99,388	100,154	
Total GHG emissions (market-based)	90,984	96,159			102,093		93,955	97,760	

	2025	2024	Δ%	2025	2024	Δ%
GHG intensity based on net revenue						
Total GHG emissions (location-based) per net revenue (tCO_2e/MSEK)	13	14	-7%	13	14	–7%
Total GHG emissions (market-based) per net revenue (tCO_2e/MSEK)	12	13	–8%	13	14	–7%

	2025	2024	Δ%	2025	2024	Δ%
GHG intensity per sq m						
Total GHG emissions (location-based) per sq m (tCO_2e/sq m)	45	49	–8%	38	49	–22%
Total GHG emissions (market-based) per sq m (tCO_2e/sq m)	43	47	–9%	36	48	–25%

[1] Pandox's long-term environmental goal has a target year of 2030. There are no targets in the interim. In 2025 a base year audit was carried out due to portfolio changes compared to the base year for Scope 1 and 2; detected inaccuracies in emission factors in Scope 3 cat. 13 were also corrected. The result is a new base year for emissions and thus also a new target in tonnes; the percentage targets remain in place.

[2] Includes only construction, remodelling and renovation of properties in category 1, as well as category 13.

Comments on the table

Like-for-like Scope 1 and 2

Emissions in Scope 1 and 2, calculated using market-based electricity, have decreased by 14 percent compared with the previous year. The SBT target is calculated using a market-based method; compared to the base year, the outcome for the year is –32 percent. The main reason for the reduction is that the purchased electricity that generated emissions in Scope 2 consists of 100 percent fossil-free certified electricity at all hotels, compared to 80 percent of the hotels in the previous year. In addition, the green investment programme has also led to reduced energy consumption at a number of hotels within the project.

With the location-based method, emissions have instead increased by 10 percent, which is due to four new hotels being included in the reporting compared with the previous year. If these four hotels are excluded there is a reduction of 2 percent.

Like-for-like Scope 3

Emissions covered by the SBT for Scope 3 have decreased by 20 percent, as emissions from renovation projects were lower and energy emissions have also decreased. Category 13 has not changed significantly compared with the previous year. Compared to the base year it has decreased by 10 percent, which can be explained by the increase in renewable electricity in the national grids of the UK and Germany, where emission factors have decreased since the base year.

Aligned with financial report

The consolidated outcome differs only by half a percent from the like-for-like outcome for emissions in Scope 1 and 2. The trends and explanations for these are the same as have already been described above. The intensity measurements per square metre are significantly lower than in the previous year as only Q4 consumption is counted for the Dalata hotels whereas the whole area is included.

E1 cont.

Energy consumption

E1-5
OWN OPERATIONS

(MWh)	Consolidated outcome like-for-like			Consolidated outcome (aligned with financial report)		
	2025	2024	Δ%	2025	2024	Δ%
Energy consumption and mix						
Fuel consumption from coal and coal products	0	0		0	0	
Fuel consumption from crude oil and petroleum products	118	177		118	177	
Fuel consumption from natural gas	35,095	32,465		35,324	32,465	
Fuel consumption from other fossil sources	0	0		0	0	
Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources[1]	4,284	9,100[2]		4,284	10,682[2]	
Total fossil energy consumption	**39,497**	**41,742**	**–5%**	**39,726**	**40,607**	**–2%**
Share of fossil sources in total energy consumption	**54%**	**62%**		**54%**	**58%**	
Consumption from nuclear sources	0	0		0	0	
Share of consumption from nuclear sources in total energy consumption	**0%**	**0%**		**0%**	**0%**	
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen etc.)	2,625	2,587		2,625	2,587	
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources[1]	30,878	22,563[2]		30,997	22,563[2]	
Consumption of self-generated non-fuel renewable energy	0	0		0	0	
Total renewable energy consumption	**33,503**	**25,150**	**+33%**	**33,622**	**27,868**	**+20%**
Share of renewable sources in total energy consumption	**46%**	**38%**		**46%**	**42%**	
Total energy consumption	**73,000**	**66,893**	**+9%**	**73,347**	**68,475**	**+7%**

	2025	2024	Δ%	2025	2024	Δ%
Energy intensity per net revenue[3]						
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/MSEK)	22	20	+10%	22	21	+5%
Energy intensity per sq m & guest night						
Total consumption per sq m (kWh/sq m)	194	196	–1%	192	182	+5%
Total consumption per gn (kWh/gn)	31	33	–6%	31	33	–6%

[1] The share of electricity based on standard calculations in the financial scope is 0 percent in 2025 and 0 percent in 2024.
[2] Outcome in 2024 adjusted due to calculation error in the system.
[3] Metric included as Pandox is active in the property sector, which is considered a high climate impact sector.

Comments on the table

Like-for-like

Total energy consumption has increased by 9 percent on a like-for-like basis, which is due to a larger number of hotels than in the previous year. Energy intensity has decreased both per square metre and per guest night, by 1 percent and 6 percent respectively. This has been achieved through the green investment programme that has begun and the continued work on behavioural changes within operations. A greater effect is expected in the coming years with the planned launch of the larger installations at the first hotels.

One major change is the share of renewable energy, which has increased by 33 percent compared with the previous year thanks to efforts to secure green electricity certificates for all 23 hotels in the Own Operations segment – an increase from 16 hotels in 2024.

Aligned with financial report

The consolidated outcome for energy consumption differs only by half a percent from the like-for-like outcome. The trends and explanations for these are the same as have already been described above.

E1 cont.

E1-5
LEASES

(MWh)	Consolidated outcome like-for-like			Consolidated outcome (aligned with financial report)		
	2025	2024	Δ%	2025	2024	Δ%
Energy consumption and mix						
Fuel consumption from coal and coal products	0	0			0	
Fuel consumption from crude oil and petroleum products	5,295	5,491		5,295	5,491	
Fuel consumption from natural gas	66,454	56,065		73,971	56,065	
– Of which measured data collected from tenants	*57,105*	–		*64,622*	–	
– Of which based on standard calculations in the absence of measured data	*9,349*	–		*9,349*	–	
Fuel consumption from other fossil sources	0	0		0	0	
Consumption of purchased or acquired electricity, heat, steam or cooling from fossil sources[1]	157,008	174,830		162,173	176,976	
– Of which measured data collected from tenants	*151,267*	–		*156,025*	–	
– Of which based on standard calculations in the absence of measured data	*5,741*	–		*6,148*	–	
Total fossil energy consumption	**228,757**	**236,386**	**–3%**	**241,439**	**238,532**	**+1%**
Share of fossil sources in total energy consumption	**65%**	**67%**		**66%**	**67%**	
Consumption from nuclear sources	0	0		0	0	
Share of consumption from nuclear sources in total energy consumption	**0%**	**0%**		**0%**	**0%**	
Fuel consumption for renewable sources, including biomass (also comprising industrial and municipal waste of biologic origin, biogas, renewable hydrogen etc.)	0	0		0	0	
Consumption of purchased or acquired electricity, heat, steam and cooling from renewable sources[1]	125,320	118,312		125,320	118,312	
Consumption of self-generated non-fuel renewable energy	0	0		0	0	
Total renewable energy consumption	**125,320**	**118,312**	**+6%**	**125,320**	**118,312**	**+6%**
Share of renewable sources in total energy consumption	**35%**	**33%**		**34%**	**33%**	
Total energy consumption	**354,077**	**354,698**	**0%**	**366,759**	**356,844**	**+3%**

	2025	2024	Δ%	2025	2024	Δ%
Energy intensity per net revenue[2]						
Total energy consumption from activities in high climate impact sectors per net revenue from activities in high climate impact sectors (MWh/MSEK)	90	92	–2%	93	92	+1%
Energy intensity per sq m & guest night						
Total consumption per sq m (kWh/sq m)	203	213	–5%	165	210	–21%
Total consumption per gn (kWh/gn)	30	33	–10%	30	33	–10%

[1] The share of energy based on standard calculations is 4 percent in 2025 and 8 percent in 2024 in the like-for-like scope. The share based on standard calculations in the financial scope is 4 percent in 2025 and 8 percent in 2024.
[2] Metric included as Pandox is active in the property sector, which is considered a high climate impact sector.

Comments on the table

Like-for-like

Although more hotels in Leases are included than in the previous year, the total energy consumption has not changed noticeably. The decrease can be seen in the result for energy intensity both per square metre and per guest night, which have decreased by 5 percent and 10 percent respectively.

Compared with the previous year, the standard calculation has also decreased by 4 percent. This is because the level of detail has been improved as it is now calculated per energy type, which more clearly reflects reality.

Aligned with financial report

The consolidated outcome primarily includes the Dalata acquisitions made in Q4. This results in an increase in total energy consumption compared with the previous year, but only by 3 percent despite an increase of 31 hotels.

There is no guest night data for the new acquisition. The same data was used as for the like-for-like outcome, which results in the same outcome for the intensity measurement. The outcome for energy consumption per square metre will be significantly lower. This is because, although the entire area is included, we only have consumption for Q4.

E1 cont.

Results of climate scenario analysis

SCENARIO "WE ACHIEVE THE PARIS AGREEMENT TARGET" (IPCC SCENARIO RCP 1.9)

RISKS	Time horizon
PHYSICAL RISKS[1]	
TRANSITION RISK	
Political decisions, taxes and regulations are introduced regarding GHG emissions and transformation, such as increased demands on the Company and regarding the properties' energy performance, by lawmakers, investors, tenants and hotel guests (policy and regulation risks).	●
The properties' perimeter protection and ventilation, cooling, energy and water systems need to be upgraded or replaced. New technology needs to be installed and fossil energy replaced by renewable energy (technology risk).	●
The electrification of society may create a power shortage and energy shortages may arise (market risk).	●

[1] Pandox has not identified physical risks that are highly likely to occur in this scenario as it presumes that the world succeeds in limiting climate change through lower emissions, limited warming and an assumption of fast adaptation.

POTENTIAL IMPACT ON STRATEGY AND OPERATIONS

- Pandox focuses on acquiring better buildings in terms of energy rating and this impacts the property portfolio.
- Pandox must make substantial investments in new technology in the parts of the property portfolio where current technology is outdated, such as fossil-free energy as well as efficient water and energy consumption.
- The organisation needs a more long-term approach to climate strategies and targets.
- All leases have green addendums in their contract structure, where Pandox and tenants set common emissions targets and have plans for monitoring them.

POTENTIAL FINANCIAL IMPACT

- Increased operating costs for administration, operation and maintenance as a consequence of the green transformation of the properties.
- Investments are required to adapt Pandox's property portfolio based on future regulations and demands from society.
- Reduced rental income over the long term due to decreased demand for properties that are not climate-adapted in areas such as their energy rating.
- Guests who are not willing to stay at hotels that lack sustainability certification.
- Decreased property value on an increasing number of properties that have not managed to meet regulatory requirements, for example because it is too expensive/not profitable to rebuild and adapt.
- Reduced operating costs relating to energy and water due to more resource-efficient systems and new technology.
- Lower cost of managing, operating and insuring properties due to more energy-efficient systems, mitigated sustainability risks.
- Increased property values for climate-adapted properties.
- Higher rental income from properties if Pandox can offer the tenants properties that meet new and existing regulatory requirements.
- Increased rental income for property owners who can offer hotel guests sustainability-certified hotels.

OPPORTUNITIES	Time horizon
Be an attractive property owner by investing in climate-adapted properties with a good indoor climate (product and service offering).	●
Increased regional travel may create new business opportunities in new areas (markets).	●
Acquire existing hotels with good development/investment opportunities for becoming energy efficient (technology).	● ● ●
Develop the hotel properties in line with upcoming requirements to remain an attractive property owner (product and service offering).	●
Reduce the amount of energy needed by having climate-adapted and resource-efficient properties (resource efficiency).	●
Refine the property portfolio by verifying the climate resilience of properties before acquiring them, and prioritising the properties that meet the standards or have significant potential (adaptation and resilience).	● ● ●
Produce renewable electricity using solar panels. This mitigates power shortages and rising electricity prices (energy sources).	●
Install charging points for electric vehicles in hotel parking areas to meet the guests' needs (energy sources).	●
Implement green leases with tenants (product and service offering).	●
Use materials and resources more efficiently by focusing on recycling and reuse (resource efficiency).	●
New strategic partnerships with suppliers to reduce climate emissions together (resource efficiency).	●

Time horizon
- ● Short term 2030
- ● Medium term 2040
- ● Long term 2050

RESULTS OF CLIMATE SCENARIO ANALYSIS

Pandox has conducted a climate-related risk analysis to identify physical risks, transition risks and opportunities, as well as their potential impact on the business. The analysis covers the entire business and was carried out in accordance with TCFD using the climate scenarios RCP 8.5 (high emission scenario), RCP 4.5 (intermediate scenario) and RCP 1.9 (1.5 °C scenario), allowing assessment of the resilience of the business model and strategy to different climate outcomes. No climate-related assumptions are made in the financial statements.

E1 cont.

SCENARIO "INTERMEDIATE PATHWAY" (IPCC SCENARIO RCP 4.5)

RISKS	Time horizon
PHYSICAL RISKS	
Extreme weather and floods may cause more damage to Pandox's properties (acute).	●
Rising sea levels in combination with storms and torrential rain may cause damage to properties (chronic).	●
Higher temperatures and more heatwaves may mean an increased need for ventilation and cooling in properties, and certain properties will lack the ventilation and cooling required. This could lead to an inferior indoor climate for guests and employees (chronic).	●
Higher temperatures and more heatwaves could result in water shortages (chronic).	●
Shortages of natural resources, water, materials and raw materials needed for operations, construction and renovation may arise (acute).	●
TRANSITION RISK	
Investments are postponed because demand for and/or the cost of climate change adaptation does not correspond to the value. This creates a pent-up investment requirement for Pandox (market risk).	●
Political decisions, taxes and regulations are introduced regarding GHG emissions and transition such as increased demands on the Company and regarding the properties' energy performance, from lawmakers, investors, tenants and hotel guests (policy and regulation risks).	●
The properties' perimeter protection and ventilation, cooling, energy and water systems need to be upgraded or replaced. New technology needs to be installed and fossil energy replaced by renewable energy (technology risk).	●
The electrification of society may create a power shortage and energy shortages may arise (market risk).	●
Unchanged behaviour among tenants, investors and guests increases emissions and makes attempts at transformation more difficult, resulting in a risk that the properties will not be able to meet new ESG requirements (market risk).	●

POTENTIAL IMPACT ON STRATEGY AND OPERATIONS

- The organisation is forced to be more reactive instead of proactive, to handle an increased number of acute crises at the properties.
- Pandox focuses on acquiring better buildings in terms of energy rating and this impacts the property portfolio.
- The organisation needs a more long-term approach to climate strategies and targets.
- All leases have green addendums as part of their contract structure.

POTENTIAL FINANCIAL IMPACT

- Increased operating costs for administration, operation and maintenance as a consequence of the green transformation of the properties.
- Volatile and/or rising energy costs and water costs.
- Reduced property values on an increasing number of property values that have not managed to meet regulatory requirements, for example because it is too expensive/not profitable to rebuild.
- Greater competitiveness and more tenants as a result of successfully seizing identified opportunities, such as being a more attractive landlord, increased regional travel.
- Increased property values for climate-adapted properties.
- Higher rental income from properties if Pandox can offer the tenants properties that meet new and existing regulatory requirements.
- Increased rental income for property owners who can offer hotel guests sustainability-certified hotels.

OPPORTUNITIES	Time horizon
Be an attractive property owner by investing in climate-adapted properties with a good indoor climate (product and service offering).	●
Increased regional travel can create new business opportunities in new areas (markets).	●
Acquire existing hotels with good development/investment opportunities for becoming energy efficient (technology).	● ● ●
Develop the hotel properties in line with upcoming requirements to remain an attractive property owner (product and service offering).	●
Reduce the amount of energy needed by having climate-adapted and resource-efficient properties (resource efficiency).	●
Identify other segments or new ways of using hotel properties (product and service offering).	●
Refine the property portfolio by verifying the climate resilience of properties before acquiring them, and prioritising the properties that meet the standards or have significant potential (adaptation and resilience).	● ● ●
Produce renewable electricity using solar panels. This mitigates power shortages and rising electricity prices (energy sources).	●
Install charging points for electric vehicles in hotel parking areas to meet the guests' needs (energy sources).	●
Implement green leases with tenants (product and service offering).	●
New strategic partnerships with suppliers to reduce climate emissions together (resource efficiency).	●
Use materials and resources more efficiently by focusing on recycling and reuse (resource efficiency).	●

Time horizon

- ● Short term 2030
- ● Medium term 2040
- ● Long term 2050

E1 cont.

SCENARIO "BUSINESS AS USUAL" (IPCC SCENARIO RCP 8.5)

RISKS	Time horizon
PHYSICAL RISKS	
Extreme weather and floods may cause more damage to Pandox's properties (acute).	●
Rising sea levels in combination with storms and torrential rain may cause damage to properties (chronic).	●
Higher temperatures and more heatwaves may mean an increased need for ventilation and cooling in properties, and certain properties will lack the ventilation and cooling required. This could lead to an inferior indoor climate for guests and employees (chronic).	●
Higher temperatures and more heatwaves could result in water shortages (chronic).	●
Shortages of natural resources, water, materials and raw materials needed for operations, construction and renovation may arise (acute).	
Properties located in flood-risk areas may become unusable (acute).	●
TRANSITION RISK	
Travel patterns and demand in submarkets may change (market risk).	●
Investments are postponed because demand for and/or the cost of climate change adaptation does not correspond to the value. This creates a pent-up investment requirement for Pandox (market risk).	●
Unchanged behaviour among tenants, investors and guests increases emissions and makes attempts at transformation more difficult, resulting in a risk that the properties will not be able to meet new ESG requirements (market risk).	●
Shortages of natural resources, raw materials and energy may arise, resulting in more expensive input goods (market risk).	●

POTENTIAL IMPACT ON STRATEGY AND OPERATIONS

The organisation is forced to be more reactive instead of proactive, to handle an increased number of acute crises at the properties.

POTENTIAL FINANCIAL IMPACT

Higher operating costs for insurance policies which increase with the risk associated with the properties.

Increased revenue and rising value of properties if Pandox can offer tenants sustainable hotel properties with a niche service/product.

Reduced property value in the case of properties impacted by physical climate changes in risk areas.

OPPORTUNITIES	Time horizon
Increased regional travel may create new niche business opportunities, in new areas. For example, if Pandox transforms and can offer climate-adapted and resource-efficient properties in which reduced energy need is a feature (resource efficiency).	●

Time horizon

- ● Short term 2030
- ● Medium term 2040
- ● Long term 2050

E2 Pollution

Employees | Business partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

	Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
E2	Substances of very high concern	Negative impact and financial risk	• Environmental Policy • Code of Conduct for Employees • Code of Conduct for Business Partners	• Switch to natural alternatives for refrigerants • New module for collecting refrigerant data • Records of replenishment and service certificates for refrigerants in Own Operations	• There are currently no targets set for refrigerants. Pandox is working to improve monitoring of refrigerant leakage	• Refrigerant leakage in Own Operations: 908 kg

In the property sector refrigerants are used frequently and have a significant impact. Many of these synthetic substances can give rise to emissions of PFASs, which are a group of resistant chemicals that spread in the environment and accumulate in ecosystems and humans. Management of these substances is crucial for reducing the risks of long-term environmental impact and health problems.

By working systematically on refrigerants, from the choice of technology and substances to leakage control and phase-out, the sector can help reduce the spread of PFASs and strengthen environmental safety.

Policies

E2-1

Under the Environmental Policy, the use of hazardous substances must be kept to an absolute minimum. In cases where their use is unavoidable, they must be handled with care, stored and disposed of safely, kept in designated containers, and be labelled and documented with clear safety data sheets. Under the Code of Conduct, the same approach and management applies to business partners. Business partners must also limit and replace hazardous substances in accordance with the EU's REACH and RoHS directives.

In addition, the Environmental Policy states that Pandox must minimise the environmental impact of PFASs linked to cooling equipment and heat pumps. New installations and upgrades are primarily to use natural refrigerants, unless this is not economically viable due to technical or safety obstacles. When maintaining and servicing existing facilities, Pandox must work to gradually replace synthetic refrigerants with natural alternatives wherever possible.

The format and procedures for Pandox's environmental policy documents are described in more detail in the section on climate change, under disclosure E1-2.

Actions

E2-2

In Pandox's own operations the Company is aiming to limit the use of environmentally hazardous coolants by switching to less harmful alternatives where possible. This consideration has become more relevant as the EU has further regulations regarding the phase-out of fluorinated gases, which include coolants used in refrigeration, air conditioning and heat pump equipment. Fluorinated gases are potent greenhouse gases. Wherever possible, Pandox aims to replace synthetic refrigerants throughout the portfolio with natural alternatives such as carbon dioxide or propane, to reduce environmental and GHG impacts. In the Nordic countries, for example, natural refrigerants are always the first choice for a new installation or replacement. The cost of the measures falls under operating activities.

In 2025 Pandox reassessed the completeness of refrigerant data collection in the Own Operations segment by strengthening its efforts to monitor and manage refrigerants. A new module has been introduced into the Company's sustainability data system, enabling uniform reporting of refrigerant use and associated emissions. Going forward, Pandox plans to use the enhanced data to identify opportunities for improving maintenance procedures so as to minimise leakage. All service technicians are now required to record the type and quantity (in kilograms) of refrigerant gas replenished per hotel, and to upload the associated service certificate. This change will help to increase transparency and improve traceability of refrigerant-related impacts.

In addition, Pandox took an inventory in the Leases segment of the number of refrigeration units that use fluorinated gases and PFAS-based refrigerants. Without tenants' assistance the ability to collect data and estimate leakage is limited, and consequently there is no metric or target associated with this segment.

Targets and outcomes

E2-3

Pandox currently has no set targets for refrigerants but aims to reduce the use of synthetic refrigerants wherever possible. At present there is no robust follow-up of the share of emissions originating from fluorinated gases at the hotels. Calculation of these emissions is complex and is therefore not carried out at present. As specified above, however, Pandox has improved these efforts in the Own Operations segment in order to monitor the impact of refrigerant leakage. This is currently measured only in terms of carbon dioxide emissions and not the impact of fluorinated gases, and is reported as per the outcome in E2-5.

E2-5

The impact is monitored through emissions in Scope 1, which are reported in E1 on page 110. In 2025 total emissions amounted to 1,413 (351) metric tons CO_2e from 908 (150) kg of refrigerant replenishment at hotels operated by Pandox. The reason for the big difference compared with the previous year is that this year there has been concerted effort to improve the collection of refrigerant data in the Own Operations segment. The aim was to make the reporting of impacts as complete as possible and also to create the conditions for being able to work further on mitigation measures in this area.

Reporting principles

Reporting principles for all metrics within this standard can be found in the appendix on page 155.

E3 Water resources

Employees Business partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

	Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
E3	Water	Negative impact	• Environmental Policy • Code of Conduct for Employees • Code of Conduct for Business Partners	• Metering equipment installed within Own Operations • Water-saving shower heads installed • Initiatives to influence behaviour • New data module to identify leaks • Tests involving valve adjustment	• Water consumption reduced by 5% per guest night annually within Own Operations	• Water use per guest night within Own Operations: +2% • Water use per guest night within Leases: –3%

As a property owner Pandox has a responsibility to manage water resources efficiently, especially in water-stressed areas. The property sector contributes to water consumption through its daily operations, maintenance and guest use, making the topic business-critical. Working actively on water efficiency and conscious consumption allows us to reduce our impact, contribute to the resilience of local communities and strengthen our long-term sustainability performance.

Policies

E3-1

Pandox's Environmental Policy highlights water management as a priority area, with the aim of reducing consumption through data-driven monitoring and efficient use of resources.

The policy is applied in both Own Operations and Leases, and forms the basis for concrete actions such as the installation of new technology for improved control and efficiency. The policy guidelines are of particular importance in water-stressed areas.

Business partners are covered by Pandox's Code of Conduct, which requires responsible water use and active efforts to reduce consumption.

The format and procedures for Pandox's environmental policy documents are described in more detail in the section on climate change, under disclosure E1-2.

Actions

E3-2

Pandox has installed metering equipment for water use in the hotels it operates, as well as water-saving equipment in bathrooms and kitchens. These actions were taken in previous years and are expected to have an effect on future outcomes. For example, at three hotels in Belgium shower heads with a flow rate of 8L/minute were replaced by shower heads with a flow rate of 6L/minute. As a result, water use decreased from 193L/guest night to 151L/guest night. At one of the hotels, Double Tree by Hilton Brussels City, this is equivalent to a potential saving of 15 percent in annual water consumption. Going forward, the initiative will be rolled out to other hotels in Belgium. In the medium term this initiative will also be implemented in Germany and the UK. In 2025 new shower heads were evaluated, but have not yet been implemented on a larger scale. Investments for shower heads are included in the transition plan presented in the section Climate change.

There are also initiatives to change the behaviour of employees and hotel guests through information and education. The metering equipment enables earlier detection and correction of any water leaks. Water-saving equipment and behavioural changes lead to a reduction in water use in general. This forms part of the behavioural changes described previously in the section on climate change under disclosure E1-1, with water use being included in the Green Module. The outcome of this is presented as part of the outcomes reported in the section on climate change.

No further major investments were made in water-saving measures in 2025 beyond the ongoing renovations at one hotel in Bremen and one in Belgium. Tests involving new valve adjustments under sinks were also carried out, but demonstrated limited effect during periods of high occupancy and on higher floors. Continuous follow-up and data-driven insights remain crucial to identifying further opportunities for optimisation and reduced water use. The costs associated with other measures form part of operating activities.

As part of the measures, Pandox has updated its analysis of water-stressed areas for properties in the Own Operations segment in order to be able to target initiatives where the impact is greatest. There are no special targeted initiatives in place to reduce water use in water-stressed areas within Own Operations; instead, Pandox implements the same initiatives to reduce resource consumption throughout the business. There are also initiatives downstream in collaboration with tenants.

At this stage no situations have been identified where restorative initiatives are required as a result of water use.

Targets and outcomes

E3-3

Pandox aims to reduce water consumption by 5 percent per guest night annually at all hotels in the Own Operations segment. The goal is to limit water use as far as practically possible, while being aware that water is a necessary resource for hotel operations.

Since the target is formulated as an annual percentage reduction, there is no need to set a specific baseline year or defined milestones. The objective is voluntary and not linked to any legislation. It was developed internally without involving external stakeholders. Results are produced and validated within the organisation.

Pandox has not set any target related to water use in the Leases segment, as the Company's ability to influence the tenants' water consumption is limited. As landlord, Pandox has only an indirect influence. To enable follow-up nonetheless, data on water use is collected from each tenant and used as a basis for monitoring and measuring progress in relation to the commitments stated in the Environmental Policy. Water consumption is reported monthly or annually depending on the hotel operator and is followed up annually in this report.

E3 cont.

E3-4

Pandox measures and reports water use both in its own operations and in its tenants' operations. Water use is defined in accordance with ESRS: the amount of water drawn into the boundaries of the undertaking. Water intensity per sq m and water intensity in litres per guest night are also reported. In addition, water use in water-stressed areas is reported as a separate datapoint. The outcomes are shown in the table below in accordance with datapoint E3-4.

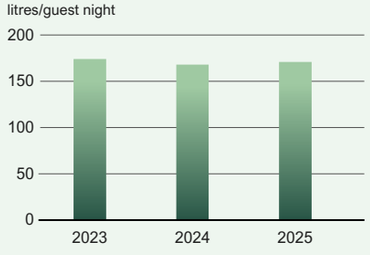
Reporting principles

Reporting principles for all metrics within this standard can be found in the appendix on page 155.

WATER USE/GUEST NIGHT

Target 2025: –5% | Outcome 2025: +2%

Own Operations:



WATER USE

E3-4

IN OWN OPERATIONS[1)]

	Consolidated outcome like-for-like			Consolidated outcome (aligned with financial report)		
(m³)	2025	2024	Δ%[1]	2025	2024	Δ%
Total water use	**400,819**	**334,419**	**+20%**	**401,359**	**352,684**	**+14%**
– of which water use in water-stressed areas	128,068	150,714	–15%	128,445	165,605	–12%
Water intensity, litres/sq m	1,064	914	+16%	1,052	925	+14%
Water intensity, litres/guest night	171	168	+2%	170	167	+2%

[1)] Change in 2025 versus 2024 according to target of 5 percent reduction per year. Applicable only to water intensity in litres/guest night.

IN LEASES

(m³)	2025	2024
Water use from properties with measured data	1,618,040	1,560,493
Water use from properties using standard calculations	159,128	200,034
Total water use	**1,777,168**	**1,679,174**
– of which water use in water-stressed areas	67,292	65,488
Water intensity, litres/sq m	1,090	1,055
Water intensity, litres/guest night	155	160

Comments on the table

Own Operations

Water use in the Own Operations segment increased by 20 percent, which is due to the large number of hotels included in the scope. Newly added hotels do not have the same level of water efficiency as the existing hotels. Excluding these, use has decreased in the remaining hotels by 3 percent. However, the intensity measure per guest night has not changed drastically – an increase of 2 percent – despite the fact that it has also increased per square metre by 16 percent.

Pandox plans to install better water metering with leak detection at the most recently acquired hotels in order to increase efficiency.

Financially aligned water use has increased by 14 percent, explained by the hotels added in 2025 being included for the full year. Last year only Q4 was included, as the acquisitions were made during this period in 2024.

Leases

The number of hotels that have complete data on water use is 120 (120). The intensity measurement covers those hotels that report both guest nights and water, which is 95 (87) hotels.

E5 Resource use and circular economy

Employees | Business partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

	Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
E5	Resource inflows, including resource use	Negative impact	• Environmental Policy • Code of Conduct for Employees • Code of Conduct for Business Partners	• Bathroom renovations with increased consideration of resource efficiency	• There is no specific target for resource inflow and resource use; this is planned to be developed within five years	• Renovation projects: 0.2 metric tons of material per sq m renovated
	Waste	Negative impact	• Environmental Policy • Code of Conduct for Employees • Guidelines on sustainable sourcing	• Focus on circularity and on reducing single-use packaging and food waste • Introduced reusable solutions in bars, restaurants and guest environments • Implemented circular cleaning practices • Enabled food redistribution • Behavioural changes	• 1.0 kg of waste per guest night by 2025 and 0.6 kg per guest night by 2030 in Own Operations • 65% of waste to be recycled by 2025, aiming to achieve 85% by 2030 in Own Operations	• Waste in Own Operations: 1,924 kg • Waste recycled in Own Operations: 53%

Since Pandox manages existing properties the resource outflow is limited, with the exception of construction-related waste – including hazardous waste. Extending the life of the properties through reuse, renovations and continuous maintenance reduces the need for new construction and demolition. This contributes to a more resource-efficient property portfolio and supports the transition to a circular economy.

Environmental impacts arise within the Own Operations segment (hotel operations), for example through the use of single-use packaging and the generation of food waste. Pandox works actively to reduce this impact through improved work procedures, training and collaboration with suppliers, aiming to increase recycling, reduce waste volumes and promote sustainable consumption patterns.

Policies

E5-1

Pandox's Environmental Policy includes guidelines on responsible resource use and circular economy, with a focus on reducing waste, promoting reuse and increasing recycling. The policy steers the business towards efficient waste management according to the waste hierarchy: prevention, reuse, recycling, energy recovery and landfill. Particular emphasis is placed on reducing waste from packaging, single-use products and other sources of unnecessary resource consumption. Hazardous waste is handled separately, stored safely and disposed of by certified personnel.

The Code of Conduct for Business Partners requires that resources are reused and recycled where possible, and that the Environmental Policy is complied with.

For hotels in the Own Operations segment Pandox has also developed guidelines for sustainable sourcing in 10 priority areas such as food, textiles, plastics and chemicals. These include clear requirements and preferences linked to certification, local sourcing and reduced use of single-use products.

Together the Environmental Policy and sourcing guidelines form a framework for steering the entire business towards more sustainable resource use. Influence over suppliers in the Leases segment is limited since Pandox can only influence their operations indirectly, for example through the Code of Conduct for Business Partners, incentives and collaboration.

Guidelines on sustainable sourcing are used by those involved in purchasing and are also made available to suppliers to Pandox-operated hotels.

The format and procedures for Pandox's environmental policy documents such as the Environmental Policy and the codes of conduct are described in more detail in the section on climate change, under disclosure E1-2.

Actions

E5-2

Resource use

Pandox has begun efforts to integrate circular principles into property management, with a particular focus on bathroom renovations – the most common intervention when properties are renovated. During the previous year a pilot project was carried out jointly with Scandic to develop guiding principles that take into account climate impact and resource efficiency, prioritising upgrades over tearing everything out. The concept is planned to be implemented on a larger scale, starting at Scandic St Jörgen in 2026.

Waste from hotel operations

All hotels in Pandox's Own Operations segment follow the Company's waste management strategy, focusing on reduction, reuse and improved sorting. In 2025 several practical initiatives were implemented in bars, restaurants and guest environments such as reusable wine bottles and beverage dispensing systems, which reduce glass waste. Water fountains have been installed in guest corridors to reduce single-use plastics, and purchasing dry foods in bulk has been tested as a way of reducing packaging waste. Locally sourced coffee in reusable containers has been introduced at selected hotels. In addition, chemical-free cleaning procedures have been implemented using recyclable microfibre cloths, and Hilton hotels are participating in the Clean the World hygiene recycling programme. Food redistribution takes place through partnerships with services such as Too Good To Go and Alpaca, thereby reducing food waste and strengthening local engagement.

Several hotels have also introduced collection points for donations of furniture and lost items, as well as donating used IT equipment for reuse.

The costs associated with the measures form part of operating activities.

As part of the above measures, changes in behaviour lead to reduced waste and improved sorting according to the waste hierarchy in general. This forms part of the behavioural changes described previously in the section on climate change under disclosure E1-1, with waste being included in the Green Module. The outcome of this is presented together with the outcome for the Green Module in the section on climate change.

E5 cont.

Targets and outcomes

E5-3

Pandox has voluntarily set a target for reducing waste volumes in hotel operations in the Own Operations segment. The target is based on identified environmental impact, particularly linked to single-use packaging and food waste, and aims to reduce the negative impact through concrete actions. The target is that waste should not exceed 1.0 kg per guest night by 2025, and will decrease further to 0.6 kg per guest night by 2030. The result for 2025 was 0.8 (1.0) kg of waste per guest night.

In addition to this target, there is a recycling target stating that the hotels are to recycle 65 percent of their waste by 2025, with an ambition to reach the EU level of 85 percent by 2030. The result in 2025 was a recycling rate of 53 (52) percent.

The targets are not based on legislation, but rather have been formulated based on best practice in the tourism industry and to meet internal policy requirements linked to resource use and circular economy. They were developed internally without involving external stakeholders. Outcomes are followed up and validated internally.

There are plans to set targets for the sustainable use of resources in renovation, but circular economy efforts are not currently advanced enough for a concrete target to be set. The plan is to set targets within a medium-term horizon (within five years).

E5-4

Information gathering on the amount of purchased materials in different categories began during the year. Full results are not yet available for the total weight of materials used during the reporting period, nor the percentage of biological material or weight of reused and recycled parts. Pandox is working actively to enable reporting of significant identified materials consumption.

In 2025 Pandox is estimated to have used 0.2 metric tons of material per renovated square metre, which corresponds to a total materials inflow of 8,290 metric tons of materials. As the data is based on an estimate, there is no verified information concerning the proportion of recycled material (0 kg, 0 percent) or the amount of biological material (0 kg, 0 percent). The materials consist mainly of building materials in the form of concrete, steel and wood.

E5-5

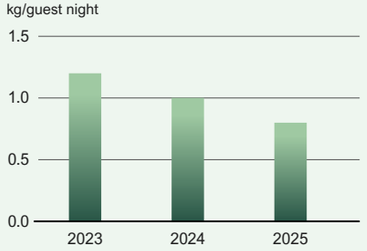
Pandox's material waste streams from hotel operations include food waste, packaging waste such as glass, plastic and cardboard, but also batteries, LED light bulbs and waste electrical and electronic equipment (WEEE). Hazardous waste comes primarily from maintenance activities at the hotels such as painting and consists mainly of paints containing hazardous substances, chemicals like white spirit and WEEE. The primary material waste streams arising from renovation of hotel properties are construction and demolition waste, hazardous waste in the form of fluorescent lamps, batteries, and chemicals from HVAC and climate control systems, as well as WEEE from building operations, such as when upgrading ventilation systems and other technical facilities that generate WEEE. Outcomes for waste from hotel operations are presented according to the table below in line with this disclosure.

Reporting principles

Reporting principles for all metrics within this standard can be found in the appendix on page 155.

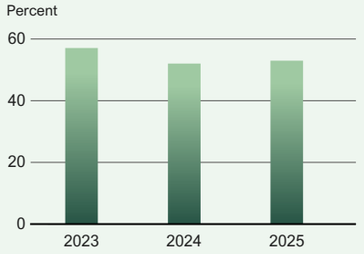
WASTE/GUEST NIGHT IN OWN OPERATIONS

Target 2025: 1.0 kg | Outcome 2025: 0.8 kg



WASTE RECYCLED IN OWN OPERATIONS

Target 2025: 65% | Outcome 2025: 53%



Comments on the table

Waste generation decreased during the year to 0.8 kg per guest night, which is an improvement of 20 percent. The positive development is driven by a strong focus on circular and waste-reducing approaches, including the introduction of reusable systems, a reduction in single-use plastics, more efficient sorting, as well as greater recycling of both food and materials.

E5-5

WASTE GENERATED AND WASTE DISPOSAL METHODS IN PANDOX'S OWN OPERATIONS[1)]

metric tons	Consolidated outcome like-for-like						Consolidated outcome (aligned with financial report)					
	2025			2024			2025			2024		
Disposal method	Non-hazardous waste	Hazardous waste	Total waste	Non-hazardous waste	Hazardous waste	Total waste	Non-hazardous waste	Hazardous waste	Total waste	Non-hazardous waste	Hazardous waste	Total waste
Derived from disposal												
Materials recycling	670	1.0	671	776	0.1	776	672	1.0	673	902	0.1	902
Preparation for reuse	6	0.9	7	4.5	1.5	6	6	0.9	7	5	1.7	7
Other recycling procedures[2)]	1,248	0.3	1,248	1,131	0	1,131	1,250	0.3	1,250	1,316	0	1,316
Intended for disposal												
Incineration (not including energy recovery)	102	0.0	102	124	0	125	102	0.0	102	145	0	145
Landfill	0	0.0	0	0	0	0	0	0.0	0	0	0	0
Other disposal methods[2)]	1,822	2.2	1,824	1,786	1.5	1,788	1,825	2.2	1,828	2,078	2	2,080
Total volume of waste[3)]	**1,924**	**2.2**	**1,926**	**1,912**	**1.6**	**1,911**	**1,928**	**2.2**	**1,930**	**2,223**	**1.9**	**2,225**

[1)] Pandox does not use the methods of deep well injection or storage on site. Pandox has no significant radioactive waste.
[2)] Other = composting, energy recovery, recycling and reuse.
[3)] 100% recycled and 0% went to landfill in 2025 and 2024.

Reporting according to the EU Taxonomy

For the fifth consecutive year Pandox is reporting according to the EU Taxonomy Regulation. The aim is to show to what extent the Company's operations are environmentally sustainable and live up to the EU's six environmental objectives. Pandox reports both eligibility and alignment for all of the environmental objectives. Pandox has produced guidance and instructions on the way in which data is to be gathered internally in order to report according to the Taxonomy Regulation.

Reporting for 2025

Pandox has chosen to apply Delegated Regulation (EU) 2026/73 of 4 July 2025 for its Taxonomy reporting in 2025. This primarily means that the presentation format has changed compared to the previous year, while the eligibility and alignment criteria applied are essentially the same as in 2024. For the comparative figures, the rules that applied to the 2024 Taxonomy reporting are applied.

In 2025 eligible activities amounted to 98 (98) percent of turnover for environmental objectives 1 (CCM) and 6 (BIO), 100 (99) percent of CapEx and 100 (100) percent of OpEx for environmental objective 1 (CCM). The aligned proportions were 7 (5) percent of turnover, 60 (63) percent of CapEx and 21 (22) percent of OpEx.

The eligible totals for environmental objective 1 (CCM) in 2025 were 40 (37) percent of CapEx and 80 (78) percent of OpEx. In addition, Pandox's eligible activities for environmental objective 6 (BIO) amounted to 45 (46) percent of turnover. Pandox has no taxonomy-aligned turnover, CapEx or OpEx for environmental objectives 2 (CCA) and 6 (BIO). None of the investments in 2025 were adaptation investments and environmental objective 2 (CCA) is therefore not applicable.

For properties, energy performance is the decisive parameter vis-à-vis the EU Taxonomy's environmental objective 1. Pandox has based this on the guidelines issued by Fastighetsägarna (the Swedish Property Federation) concerning what is defined as the top 15 percent, which includes energy performance certificates showing a rating of A to B. Since at present there are no guidelines in other countries on the top 15 percent, Pandox has decided to also apply the Swedish guidelines to the other countries where the Company is active. In 2025 a total of 37 (15) properties were given an energy rating of B and 5 (1) a rating of A. These are located in Sweden, Norway, Austria, the Netherlands and the UK.

The taxonomy-aligned percentages should be viewed in light of the fact that Pandox's property portfolio consists largely of older buildings, the majority of which do not achieve a class B rating. Existing buildings are not in the same position as new production, where current energy requirements are taken into account right from the planning stage. Moving a property from a very low energy rating to class A or B can be very technically challenging and may require significant investment and cooperation with tenants, which is not always possible for externally operated hotels. In many cases it is determined that such a shift is neither commercially justifiable nor technically feasible, and that it would be necessary to demolish the building and build a new one. This is also not consistent with the EU's objective of reducing climate impact, as it leads to high resource consumption.

In addition, Pandox has properties in 11 countries with different national rules and regulations on how to calculate energy ratings and how different types of energy are to be weighted. The conditions and circumstances also vary greatly. Sweden has a widespread district heating grid with low emissions, while natural gas boilers are a common solution for heating in countries such as the UK. The source of electricity generation also differs widely between countries. In Sweden fossil fuels account for around 1 percent of electricity production, while in Germany fossil fuels account for 35 percent of electricity production, consisting mainly of coal and natural gas.

Direct comparisons of national ratings therefore often do not provide a true and fair picture at present. As an example, energy rating B in England for certain types of buildings may equate to class F in Scotland. In Germany there is no scale, while in Belgium energy performance certificates are not yet available for the hotel properties category in all regions. The EU Energy Performance of Buildings Directive (EPBD) states that this is to be in place and implemented in May 2026, which will provide better comparability between countries.

As part of its work on science-based targets Pandox launched an internal project to identify which types of measures are possible and which properties should be prioritised in order to achieve the Paris Agreement goal. In this work Pandox's ambition is to reduce emissions from energy use and at the same time move properties to EPC ratings in line with future statutory requirements, and even further if possible.

Assessment of eligibility and alignment of hotel operations within environmental objective 6 Biodiversity and activity BIO 2.1

A set of FAQs published by the European Commission in March 2025 clarified that a hotel eligible under activity BIO 2.1 must be able to be tested for Taxonomy alignment regardless of where it is situated. Based on that clarification, the assessment was made that all Pandox hotels within the Own Operations segment are to continue to be included in the economic activity and to be considered eligible.

The assessment of eligibility and alignment only applies to hotel operations within Own Operations since this is the only business segment in which Pandox operates hotels. In the Leases segment Pandox is only a property owner and has no responsibility for hotel operations.

The work being carried out to then assess alignment is described below.

Pandox started to investigate the extent of alignment in 2024. To classify the hotels within Own Operations as aligned with the biodiversity objective, the Company must demonstrate alignment with the substantial contribution criteria for the environmental objective (criteria 1–5), with the "Do No Significant Harm" (DNSH) criteria for the other environmental objectives and with the minimum safeguards. The DNSH criterion that needs to be demonstrated for environmental objective 1, Climate change, relates to the buildings having a certain level of energy efficiency. This has been tested by Pandox through an assessment of the technical screening criterion that defines the top 30 percent most energy-efficient buildings nationally. To identify the properties in the top 30 percent, Pandox applied guidance for the top 15 percent according to the Swedish Property Federation's guidelines. Pandox then used the guidelines from the Swedish Property Federation for primary energy demand (kWh/sq m) to include additional properties in the top 30 percent. At the end of 2025, nine of the 23 properties within the Own Operations segment met this criterion. The remaining DNSH requirements were analysed in 2025. In connection with this, the Company has found that it does not meet the Do No Significant Harm (DNSH) criteria for environmental objective 4, Transition to a circular economy. This is because Pandox still uses or offers items to its guests that are listed in Part B of the annex to the European Parliament and Council Directive, which contravenes the specific DNSH criteria. Pandox continues to make efforts to reduce plastics use, and single-use products in particular, which is also part of the Environmental Policy.

Pandox is continuing to monitor and evaluate potential actions to improve its sustainability work and adaptation to the EU taxonomy.

Green construction loan

In November 2025 Pandox secured a green revolving credit facility amounting to MSEK 250. This credit facility can only be used for investments made for energy improvements in properties. The investments for which the credit facility may be used are identical to the following economic activities in the Taxonomy: CCM 7.3 Installation, maintenance and repair of energy-efficient equipment; CCM 7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings; CCM 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings; and CCM 7.6 Installation, maintenance and repair of renewable energy technologies. During the year MSEK 63 of the credit facility was utilised for taxonomy-aligned investments. If the indicator for the aligned proportion of CapEx is adjusted for the proportion of aligned CapEx financed by the green construction loan, the proportion of aligned CapEx would be 59 percent. There is no aligned turnover associated with the properties where these investments take place.

Minimum social safeguards

A third party has audited and confirmed Pandox's compliance with the governance criteria as defined by the minimum safeguards. It was also verified that the Company has developed and adopted appropriate programmes and measures to prevent and detect corruption and to ensure healthy competition. These checks showed that neither Pandox nor its subsidiaries have breached any tax-related laws, and there are no confirmed violations according to Dow Jones RiskCenter. Nor has Pandox or its executive management been found guilty of any breach of competition laws, according to Dow Jones RiskCenter. The review was based on the OECD Guidelines for Multinational Enterprises, the UN Guiding Principles on Business and Human Rights, and the ILO's eight Fundamental Conventions. Pandox has decided that a third party is to review compliance with minimum safeguards every two years unless major changes or incidents have taken place that call for extra review. The review was originally conducted in 2022 (completed in early 2023) and was updated in 2025 in accordance with the guidelines outlined above.

In 2025 a third party also verified whether any incidents were reported to National Contact Points under the OECD Guidelines and/or any allegations were made against Pandox for any breach of labour laws or human rights that were reported to the Business & Human Rights Resource Centre. The areas verified were Pandox, the executive management team and Board of Directors, and subsidiaries. The result was that no (0) incidents had been reported and there are therefore no indications that Pandox has been accused or found guilty of any breach of the OECD Guidelines or the UN Guiding Principles.

Do No Significant Harm (DNSH) criteria

Climate change will lead to higher temperatures, changed precipitation patterns, and more frequent and intense extreme weather events such as heatwaves, drought and torrential rain. It is therefore important to determine what impacts various climate scenarios will have on Pandox's properties and to make a plan to minimise these. Pandox consequently carries out an annual climate risk assessment of its property portfolio, aiming for climate adaptation of the properties with a high risk of negative impacts from a changed climate. A general climate risk assessment is also included in the acquisition process. Since 1 January 2025 climate risk assessment has also been integrated into the annual on-site risk inspection at selected properties. During the fourth quarter three properties received site visits, during which an external consultant together with local managers conducted a review of the property in question. The aim was to identify and propose action plans to further strengthen protection from flood risks.

Pandox uses a modelling tool that assesses and makes a financial evaluation of the Company's exposure to physical climate risk and natural disaster risk for all of its properties. The tool assesses the properties' risks based on the IPCC climate scenarios (RCP 2.6 (1.5 °C), 4.5 (2–3 °C) and 8.5 (4 °C)) and timeframes (current risk and risk in 2030, 2050 and 2100 respectively).

The tool includes climate risks and each property is assigned a risk level of between one and five for each area, where one is very low risk and five is very high risk.

The following climate risks are included in the tool in accordance with the Taxonomy Regulation:

- Changed wind patterns
- Cyclones, hurricanes and typhoons
- Tornadoes
- Changed precipitation patterns and types
- Sea level rise
- Drought
- Precipitation
- Floods

The following climate risks are not included in the tool, for the reasons stated:

- Storms (including snowstorms, dust storms and sandstorms) are not included because dust storms and sandstorms do not constitute a major risk in Northern Europe where Pandox's properties are primarily located. Snowstorms may, on the other hand, constitute a risk for the property sector in the form of increased maintenance costs. However, it is still not entirely clear what the effects of climate change will be on snowstorms. In addition, there is no global risk map available for this. Instead data has to be obtained from local meteorological institutes.
- Hydrological variation is not included because the impacts do not significantly affect the property sector. Drought and floods are covered by other climate variables.
- Ocean acidification is not included in the assessment as this will mainly impact and change marine food chains and the food supply. The property sector is therefore not directly exposed to this risk.
- Saltwater intrusion through surface and groundwater sources could reduce access to fresh water in coastal areas, which could affect a small percentage of the portfolio in the long term although this risk is not considered high for Pandox at this time. Other risks that may impact saltwater intrusion such as sea level rise are, however, included in the risk assessment.
- Water stress is not included in the risk assessment, but Pandox analyses this parameter using the WRI tool in order to monitor which properties are in areas of high water stress.
- Glacial lake outburst flood (GLOF) is not included as there are no properties in regions close to glacial lakes.
- Landslide, landslip, erosion, avalanche, solifluction and subsidence are not included in the risk assessment because Pandox's properties are not located in areas where these risks are considered sufficiently high.

The tool is based on modern climate forecasts that correspond to the expected life of the properties. To meet the technical screening criteria for DNSH linked to climate change adaptation (CCA) for economic activity CCM 7.3 to 7.6, climate risk assessments are considered completed and the screening criteria met once a climate risk assessment has been carried out for the property for which there was capital expenditure. Pandox performs individual on-site assessment of the need for climate adaptation at the property when the physical climate risk is deemed very high or high. In 2024 a desktop analysis was performed for the properties identified as having high climate risks. In 2025 an updated needs analysis was carried out in which all properties in the portfolio were examined in a desktop assessment. As a result, another five properties are assessed as being higher risk. In addition, Pandox has conducted a climate risk assessment for all newly acquired properties in the portfolio.

Pollution

Regarding the DNSH pollution criterion, in 2025 Pandox identified all eligible suppliers for economic activity 7.3; for example, those that provide extra insulation, replacement windows, and installation or replacement of ventilation or taps. Through its supplier audit system Pandox requests that these suppliers confirm that their products contain no chemicals included in the EU's Candidate List of substances of very high concern (SVHC). If they are unable to confirm this, the suppliers need to specify which chemicals are used. For an economic activity to be considered aligned, all criteria must be met. Only suppliers who have been able to confirm the DNSH criterion for CCM 7.3 have been reported as aligned for CapEx and OpEx.

PANDOX'S TAXONOMY-ELIGIBLE ECONOMIC ACTIVITIES

- BIO 2.1 Hotels, holiday, camping grounds and similar accommodation
- CCM 7.3 Installation, maintenance and repair of energy-efficient equipment
- CCM 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance
- CCM 7.6 Installation, maintenance and repair of renewable energy technologies
- CCM 7.7 Acquisition and ownership of buildings

DEFINITION OF TOTALS

Total turnover
In Leases, this consists of rental income and other property income and in Own Operations, of revenue from Pandox's own hotel operations. Total turnover is shown on the line "Net sales" in the consolidated income statement on page x.

Total CapEx
Consists of acquisitions and capital expenditure for investment properties (normally Leases, Note E1) and operating properties (Own Operations, Note E2). Both segments also include capital expenditure for right-of-use assets (Note G5) in the form of site leaseholds, office premises, cars and other leased equipment, and capital expenditure on furniture, fixtures and equipment (Note E3).

Total OpEx
Total OpEx as defined in the EU Taxonomy includes costs for maintenance and repair of properties.

Proportion of Pandox's turnover, CapEx and OpEx that is taxonomy-eligible and taxonomy-aligned

2025					Substantial contribution criteria										
KPI (1)	Total (2)	Taxonomy-eligible proportion (3)	Taxonomy-aligned (4)	Taxonomy-aligned proportion (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)	Enabling activity proportion (12)	Transitional activity proportion (13)	Not assessed activities considered non-material (14)	Taxonomy-aligned in 2024 (15)	Taxonomy-aligned proportion in 2024 (16)
	MSEK	%	MSEK	%	%	%	%	%	%	%	%	%	%	MSEK	%
Turnover	7,468	98%	503	7%	7%	–	–	–	–	0%	–	–	–	362	5%
CapEx	20,537	100%	12,240	60%	60%	–	–	–	–	–	0.3%	–	–	2,724	63%
OpEx	176	100%	36	20%	20%	–	–	–	–	–	0.0%	–	–	48	22%

Complete Taxonomy tables

Complete Taxonomy tables and reporting principles for turnover, CapEx and OpEx can be found in the appendix on pages 151–153.

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S1 Own workforce

Employees | Business partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
Working conditions	Negative impact		• Fulfilment of collective bargaining agreements and freedom of association • Forums in Belgium/Germany add to union dialogue • Continual risk assessment, incident reporting and hotel inspections • Occupational health and safety training	• Pandox adheres to the precautionary principle and aims for zero health and safety incidents	• Hotels with collective bargaining agreements: 28% • Work-related ill health: 9 cases • Work-related injuries: 0 incidents • Sickness absence: 9%
Equal treatment and opportunities for all	Negative impact, financial opportunity	• Code of Conduct for Employees • Human Rights Policy • Social Strategy and Policy for Pandox-Operated Hotels	• Monitoring of gender balance and leadership programmes for inclusive recruitment • Working with marginalised groups • Supplier audits, enhanced checks on staffing agencies and whistleblower systems for temporary employees	• Maximum 60% of one gender identity • All employees are to feel included • One or more locally adapted targets for socially marginalised groups	• Employees by gender: 51% women, 49% men • Employee turnover: 30% • Performance and career development reviews: 88%
Other work-related rights	Negative impact		• Human rights impact assessment • Supplier audits and strong due diligence for staffing agencies	• One or more locally adapted targets for socially marginalised groups	• 91% of the hotels have set targets for socially marginalised groups and 86% of these have also reached their targets

The material impact within Pandox's own workforce is mainly among hotel cleaning staff and restaurant personnel within the Own Operations segment. Negative impacts are mainly linked to industry-specific tasks involving an elevated risk. Pandox also sees a financial opportunity in improving cooperation and efficiency by lowering employee turnover within the Company through an active focus on diversity and inclusion. No identified IROs are related to child labour. A potential negative impact has been identified linked to forced labour as this can occur within the hotel industry.

Pandox is working actively on social issues at the hotels it operates. All hotels have local HR managers, while at the Group level this is the responsibility of the Sustainability Manager for the Own Operations segment, reporting to the SVP, Director of Sustainable business who provides guidance and sets requirements. Initiatives to promote diversity and inclusion, fair recruitment, health and safety, as well as information sharing have been prioritised during the year to improve the work environment for hotel employees.

Pandox's workforce includes employees and consultants. Employees are personnel at the head office and in property management, and staff at the hotels operated by Pandox. The definition of non-employees is presented in disclosure requirement S1-7.

Policies

S1-1

Pandox's Code of Conduct for Employees and Human Rights Policy set out the Company's commitments to all employees in the countries where the Company has operations. The policies are for all employees within Pandox's Own Operations segment and at the head office.

Code of Conduct for Employees

Pandox's Code of Conduct provides guidelines for employees, clearly stating how they are to be treated and to treat others. The Code addresses important topics such as discrimination and harassment. It is based on the Ten Principles of the UN Global Compact, which Pandox has complied with since 2019 through its membership and annual reporting. It also includes the relevant conventions and declarations covering human rights, labour rights (ILO), environmental protection and anti-corruption.

For example, no employee is to be discriminated against on the grounds of gender, gender identity or expression, ethnicity, nationality, religion or other belief, disability, medical status, sexual orientation, age, parental status, marital status, membership of a trade union or political views.

The Code of Conduct is communicated to all new employees in their initial workplace orientation and then again every three years.

Human Rights Policy

The Human Rights Policy covers areas such as fair and equal treatment, promotion of diversity and inclusion, information security and right to privacy. In addition, it includes guidelines on key themes such as human trafficking, minimum wage, forced labour and child labour. In addition, Pandox has undertaken to take action or work in cooperation with other actors to remedy negative human rights impacts in the value chain.

This policy is also based on the Ten Principles of the UN Global Compact as well as relevant conventions and declarations within human rights and labour law, including the ILO's Fundamental Conventions.

The SVP, Director of Sustainable Business is responsible for Pandox's Code of Conduct and Human Rights Policy. The policies were produced taking into account the interests of relevant stakeholders, in this case the employees

S1 cont.

within the Own Operations segment and at the head office. They are updated and adopted by the Board of Directors annually. The policies are published on Pandox's website for all employees to read.

Social Strategy and Policy for Pandox-Operated Hotels
Pandox has also produced a social strategy with associated guidelines in the form of a social policy. This policy establishes minimum standards for fair, safe and inclusive working conditions at all hotels operated by Pandox. It covers all employees and ensures equal treatment, reasonable salaries, wellbeing and a healthy work environment. The policy contains clear commitments on diversity, inclusion and human rights due diligence, and is supported by regular training, surveys and access to the whistleblower system.

Implementation is monitored by the hotel's local HR administrator and the Sustainability Manager within the Own Operations segment, with responsibility being shared between local management teams. The policy is approved and signed by Pandox's SVP, Director of Sustainable Business and SVP, Director of International Operations.

Although Pandox has not yet formulated specific policy commitments regarding inclusion or positive action for groups that are particularly vulnerable in the workforce, work on these issues is ongoing.

Dialogue and action process

S1-2

Employee surveys
Pandox has routines for continual dialogue with employees in both the Own Operations segment and at the head office through recurring employee surveys. At the head office, performance and career development reviews also take place. These can be in the form of a personnel forum or individual meetings.

A mandatory annual employee survey is conducted at all hotels and at the head office to measure engagement and wellbeing. Employee satisfaction (eNPS) in 2025 was 66 (60) percent in the Own Operations segment and 95 (87) at the head office. Individual hotels may also conduct additional surveys on their own initiative to capture more detailed feedback. For example, two hotels in Germany conducted extra surveys after changes in the general manager role to assess the employees' level of confidence in and engagement with the new leadership.

Responsibility for implementing and following up on results from employee surveys rests with each hotel's HR department, supported by Pandox's Sustainability Manager for the Own Operations segment and the head office.

Works councils
Hotel employees have the opportunity to elect a works council at each hotel within the Own Operations segment. The council consists of employee representatives as well as an appointed manager, and is tasked with ensuring that the employees' rights are respected. There are active works councils at hotels in Germany and Belgium.

Key indicators
Employee turnover is used as a supplementary indicator to assess how well employee-related matters are managed within Pandox. Follow-up takes place on a six-month basis through the Group-wide collection of social data from Pandox's operations. The results are shared with the Sustainability Manager for the Own Operations segment for further analysis and follow-up with the head of the respective business area.

The routines described above apply to all employees, with no special emphasis on specific groups within the Pandox workforce.

S1-3

Pandox promotes an open and transparent culture in which employees and other stakeholders are encouraged to report any misconduct or problems at the workplace. The purpose is the ensure that any deviations can be addressed and actions taken without delay. Employees are first encouraged to report the matter to their line manager or, if this is not possible, to their manager's manager. The matter is then elevated to the executive management team for further investigation. The Board of Directors is also informed in the case of serious incidents.

At the hotels with a works council, employees can take internal grievances directly to the council, which in turn communicates them to the hotel management to ensure that appropriate steps are taken.

In addition to this all employees have access to Pandox's whistleblower system where they have the opportunity to report HR-related matters anonymously and without risk of reprisal. These are then handled by the respective hotel's head of HR. Depending on the severity, this may result in training, a reminder, a warning or, as a last resort, termination of employment. All employees are informed about their rights and reporting channels when they are first employed, including through the digital training in Pandox's Code of Conduct. More information about the process for Pandox's whistleblower system can be found in the "Business conduct" section.

Employees also have an opportunity to provide feedback on the reporting process through the recurring employee surveys.

In 2023 the employees in the Own Operations segment were asked if they knew how to report both minor incidents as well as serious ones. From the beginning of 2026 the level of understanding and awareness of the whistleblower process will be followed up through a specific question on this in the annual employee survey. The 2023 results showed that the majority of employees knew how to report an incident, confirming that communication on incident reporting and the whistleblower system is well established. The fact that incidents are being reported indicates that the system is considered reliable.

Actions

S1-4

Pandox is taking active steps to identify and manage material impacts on its own workforce in the Own Operations segment. Identified IROs, results from employee surveys and topics raised by works councils form the basis for areas to focus on and take action. Actions taken for each identified focus area are presented below. These are implemented continually with no timeframe, unless otherwise specified.

Freedom of association and collective bargaining agreements
Pandox annually reviews the percentage of collective bargaining agreements in place at each hotel, and monitors compliance through HR reporting.

In countries where there are no union representatives, such as the UK, frequent staff meetings or forums are held to discuss relevant issues. In Germany and Belgium these matters are instead managed by union representatives.

Managing employment terms in accordance with collective bargaining agreements for employees not covered by formal collective agreements is described in detail under disclosure requirement S1-8.

Health and safety
The hotels design their own procedures for risk assessment and risk management as well as for investigating incidents and accidents, based on national legal requirements and hotel chain routines. Causes of accidents are to be investigated and preventive measures taken. Lessons learnt from past incidents are used to constantly improve health and safety processes. Work-related incidents are reported annually via Pandox's Group-wide system for collecting social data from the Own Operations segment.

In Germany all staff-related incidents are to be documented according to the applicable legislation and registered in the official system by the relevant department head. In addition, health and safety committees meet quarterly to address work environment issues and the hotels also undergo annual inspections performed by local authorities. Finally, safety audits are carried out by both official inspectors and certified personnel. The frequency of these varies depending on the type of checks involved.

At all hotels in Belgium all work-related incidents are to be reported internally every month and annual to the official authority. Health and safety meetings take place on a monthly basis at hotels with employee committees. They are led by a safety and incident prevention officer and attended by each hotel manager. Statutory inspections are performed on an ad hoc basis by official authorities, often unannounced, or in connection with renewal of a hotel's operating licence.

S1 cont.

Training in ergonomics is held every other year to ensure a good working environment. Regular risk assessments are also performed and include a focus on physical stress, lifting techniques and workstation ergonomics. The hotels are also responsible for providing training for tasks associated with risk, such as using kitchen equipment and how to handle threatening situations. Training takes place both through hotel-specific programmes and through Pandox's Code of Conduct for Employees. In addition, local regulations are applied, such as Belgium's CCT104 to provide adapted tasks and additional leave for older employees.

Safety measures implemented include assault alarms, surveillance cameras and taxis provided for night workers. Employees in the UK and Germany are trained in how to handle aggressive guests or complex guest situations. For special events or specific guest profiles the hotels sometimes use external security personnel to increase safety.

To promote good mental health, workshops are provided on stress-prevention techniques and a support line is available 24/7. Training of Mental Health First Aiders has been conducted at all hotels in the UK and is planned for launch in Belgium, the Netherlands and Germany in 2026. At the head office and at several hotels, employees are offered health insurance that includes counselling for anyone experiencing difficulties at work or after an uncomfortable incident.

Several hotels have health and safety representatives and safety officers as well as elected employee representatives to whom employees can turn for support if they are experiencing problems or negative situations. The employee representatives forward the cases anonymously, protecting the employee from reprisals. These representatives and officers have frequent meetings with the work environment group to discuss problems, suggest steps to take and report incidents to national authorities.

Gender equality representation

Gender balance in senior roles is measured and monitored annually within the framework of sustainability reporting. To promote equitable career development, Pandox offers management programmes that promote inclusion and equality in leadership. Training in equal recruitment is a key aspect of this.

Socially marginalised groups

To promote fair and inclusive employment procedures, all HR personnel as well as all department heads have completed training in inclusive recruitment and unconscious bias. Every hotel also works in partnership with a socially marginalised group in the community to facilitate access to job opportunities. The groups selected vary depending on the country and local context, and include individuals with disabilities, refugees, LGBTQI+ individuals, older employees, veterans as well as individuals with a criminal or socially vulnerable background. The value of tthe collaboration lies in the relationships that are formed and the awareness created. At some hotels, for example, there has been a focus on recruiting older employees and offering training in the local language to people with a different first language. These efforts will continue to be developed to further enhance inclusion and diversity throughout the organisation.

Managing potential negative impacts for vulnerable groups in the industry also involves supplier audits in high-risk sectors where there may be vulnerable employees. Pandox has enhanced its supplier audit procedures related to human rights in respect of external staffing agencies. To further protect temporary employees and agency personnel, these groups have access to Pandox's whistleblower system, communicated through posters providing information and QR codes in staff dining rooms at hotels in the Own Operations segment, to facilitate safe and confidential reporting of any concerns.

Human rights impact assessment

In 2025 an updated assessment of Pandox's impact on human rights throughout the value chain was conducted which included Pandox's own operations. This was to follow up on the implementation of previously identified actions from the 2022 assessment and to identify any potential new gaps. The measures relate mainly to safety, inclusion, equal treatment and wellbeing. Initiatives are mainly preventative in nature and are integrated into day-to-day operations, which improves both audits of suppliers' human rights performance and enhances long-term employee engagement.

In addition to the above, the Code of Conduct is a key component that clarifies expectations on employees as regards discrimination, harassment, assault and bullying. All new recruits go through mandatory digital training. Human rights are also addressed in local orientation programmes.

Prevention of forced labour and shortcomings in supplier practices

All hotels are covered by Pandox's supplier audit and whistleblower system, ensuring that external contractors and agency staff can report any concerns confidentially. The aim is for only audited suppliers to be used for cleaning and laundry services. This includes those who have approved certification such as ISO 26000 or the EcoVadis assessment, which ensures that they meet work-related standards.

The efficiency of the measures is followed up mainly through the annual employee survey, inclusion surveys, employee turnover outcomes and gender balance indicators. Follow-up also takes place through the updated assessment of the minimum safeguards, where measures implemented by Pandox to manage negative impacts are assessed and monitored. This assessment is carried out every three years with assistance from a third party. The results are reviewed by each hotel's own head of HR and sustainability, and reported at the Group level. This ensures that negative impacts are identified and managed for constant improvement.

All measures are operational in nature and classified as operating expenditure. They are included in Pandox's ongoing focus on management, training, work environment and HR development, and form an important part of the Company's sustainability efforts.

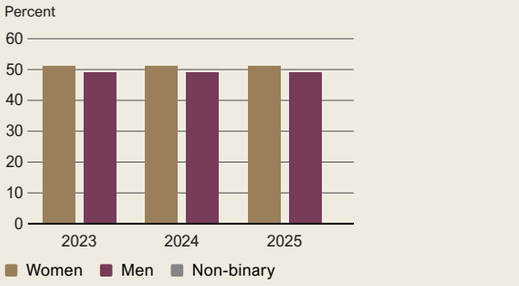
Targets and outcomes

S1-5

Pandox has formulated three concrete and ongoing targets within equality and inclusion for its own workforce. These targets were developed internally in cooperation with an external party with expertise in the area. The targets are not based on legislation or produced in consultation with stakeholders, but reflect Pandox's ambition to create a corporate culture that mitigates risks associated with shortcomings with respect to freedom of association, discrimi-

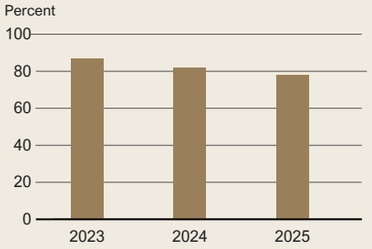
GENDER BALANCE

Target 2025: >60% | Outcome 2025: 51/49%



INCLUSION

Target 2025: 100% | Outcome 2025: 78%



SHARE OF HOTELS THAT HAVE TARGETS FOR SOCIALLY MARGINALISED GROUPS

Target 2025: 100% | Outcome 2025: 91%

S1 cont.

nation, threats and work environment issues. By promoting inclusion and gender equality we want to improve safety and promote fair and equitable employment terms and conditions throughout Pandox's organisation. The targets have not been updated since 2024.

Target 2025

- A maximum of 60 percent of the same gender identity in the Own Operations segment and at the head office
- All employees are to feel included
- One or more locally adapted targets for socially marginalised groups.

The outcome for inclusion has decreased to 78 (82) percent for 2025 for the Own Operations segment and the head office. One important explanation is changes to management teams at several hotels during the year, which created a period of uncertainty and affected how the employees experienced their work environment and inclusivity. It is also common for the inclusivity figure to dip temporarily at the beginning of a more active focus on this topic, as increased awareness results in employees more clearly identifying areas for improvement. At the same time, the departments that have worked on inclusivity for several years have a stable or improved level, indicating that a long-term effort provides positive effects over time.

For the latter target, each hotel defines its own target based on the socially marginalised group that they have chosen to focus on, and links this directly to a concrete recruitment target. For 2025, 91 percent of the hotels had set targets and 86 percent of these had also implemented their locally adapted targets.

Target outcomes are primarily followed up in conjunction with the financial year-end, but also on an ongoing basis during the year and in the roadmap the hotels use to achieve the targets. Performance in relation to the locally adapted targets is reviewed twice a year.

S1-6

The majority of employees in Pandox's own workforce have permanent positions, but there are also some hourly workers within the Own Operations segment who work during peak seasons to meet the needs of increased guest occupancy. Using hourly employees to manage occupancy peaks is an established practice in the hotel industry.

S1-7

At the end of 2025 the number of people not employed by Pandox but who work within the organisation, so-called non-employees, amounted to 357 (331). The majority of these are consultants working in roles within operating activities and hotel operations, mainly within security, marketing, finance, engineering and as general managers in various locations.

The outcome is in line with the previous year's level, but with a slight increase that can mainly be linked to the acquisition of more hotels. The majority of non-employees continue to consist of consultants in the Own Operations segment.

S1-8

28 (59) percent of Pandox employees are covered by collective bargaining agreements. These agreements are not used at the head office or in property management in the Leases segment, or at certain hotels, but the employment terms provided are similar to those in the collective bargaining agreements and the employees are given good opportunities in respect of their employment terms, professional development and promotion.

The decrease compared with the previous year is mainly explained by the acquisition of four hotels in 2024 in the UK where collective bargaining agreements are not generally used. This data was included in the accounts in 2025.

S1-10

All employees within Pandox's Own Operations segment receive fair and adequate pay in accordance with national legislation, collective bargaining agreements and local industry standards. The pay is reviewed annually to ensure it remains in line with market levels and with changes in the cost of living in each country where Pandox operates.

In Belgium all employees receive pay that exceeds the statutory minimum wage, in accordance with industry-specific collective bargaining agreements. In Germany the pay levels are adapted to meet standards that the hotel and restaurant industry has established through works councils. This ensures uniform and fair pay levels for comparable roles. Employees in the UK who work in customer-facing roles receive pay that is equal to or exceeds the national minimum wage, while other positions are compensated based on market standards and individual skills.

Pandox promotes transparency and equal pay through open communication about pay scales and practices in line with the EU Pay Transparency Directive, which addresses the gender pay gap. Pay structures are reviewed regularly to identify and fix any unwarranted gaps between comparable roles.

S1-11, S1-15

All employees within Pandox's Own Operations segment and at the head office are covered by the national social security system in the countries where the Company operates, including protections relating to sickness, pension, parental leave, work-related injuries and unemployment. Unemployment insurance is only available in Belgium as well as for Pandox employees at the head office and in the Nordic countries. The Company follows the applicable laws in Belgium, the Netherlands, Germany and the UK, with HR reporting and compliance with collective bargaining agreements where this is relevant.

In addition to statutory requirements, Pandox offers additional coverage for hotels in the UK through the Axiom Life Assurance Policy, which provides life insurance for all employees under the age of 75. In Belgium a local collective bargaining agreement is also used, which provides employees with physically demanding jobs with an extra day of leave per year from the age of 45. All employees within Pandox have access to parental leave according to the laws and collective bargaining agreements that apply in the respective country where the Company operates. In 2025 a total of 93 (69) individuals took leave for family reasons, consisting of 62 (42) women and 31 (27) men.

S1-14

Pandox has no Group-wide health and safety management system but has instead chosen to decentralise this responsibility to the respective hotels. This is due to the differing regulations from country to country. Around 97 (95) percent of the employees at Pandox's 23 hotels in the Own Operations segment are covered by local health and safety management systems, where each hotel is responsible for its employees' physical and mental health and safety. Detailed outcomes for health and safety parameters can be viewed in the tables.

S1-16

Pandox calculates and monitors remuneration metrics, including pay gaps and total remuneration, for the purpose of analysing the pay structure within its own workforce. Monitoring this enables an assessment to be made of the pay gaps between female and male employees, and any significant differences in remuneration within the organisation to be identified. The results are used as a basis for transparency, follow-up and further analysis of remuneration practices. For Pandox employees in 2025, women's salaries were 89 (84) percent of men's salaries. For 2025 the annual total remuneration ratio, i.e. the ratio between the highest paid individual and the median value of total remuneration for all employees in the Pandox Group, is 31 (26). Note that employees at the head office work in the real estate industry while hotel staff in Own Operations work in the hotel industry; their salary setting differs according to industry practice. Pandox works actively to reduce pay gaps between employees.

S1-17

During the year 0 (2) incidents were reported linked to serious human rights breaches affecting employees in Own Operations and therefore 0 (0) incidents led to fines, sanctions or damages.

Reporting principles

All outcomes within S1 have been validated internally. Correction of one hotel's employment data resulted in updated figures for the 2024 outcome. Reporting principles for all disclosure requirements within this standard can be found in the appendix on page 155.

S1 cont.

S1-6

HEADCOUNT BY GENDER

Gender identity	Headcount 2025	Headcount 2024
Men	955	1,003
Women	989	1,027
Non-binary	2	5
Total headcount	**1,946**	**2,035**

HEADCOUNT BY COUNTRY

	Headcount 2025	Headcount 2024
Belgium	563	589
UK	885	950
Germany	360	359
Sweden	46	44
Denmark	35	35
Finland	29	32
Norway	2	1
Netherlands	26	25
Total headcount	**1,942**	**2,035**

HEADCOUNT BY CONTRACT TYPE AND GENDER

	2025				2024			
	Women	Men	Non-binary	Total	Women	Men	Non-binary	Total
Headcount	989	955	2	1,946	1,027	1,003	5	2,035
Permanent employees	893	873	2	1,768	932	917	5	1854
Temporary employees	96	82	0	178	95	86	0	181
Full-time employees	626	704	2	1,332	669	753	5	1,427
Part-time employees	363	251	0	614	358	250	0	608

HEADCOUNT BY CONTRACT TYPE AND REGION

	2025			2024		
	Nordics	Europe	Total	Nordics	Europe	Total
Headcount	112	1,834	1,946	112	1,923	2,035
Permanent employees	104	1,664	1,768	105	1,749	1854
Temporary employees	8	170	178	7	174	181
Full-time employees	88	1,244	1,332	84	1,343	1,427
Part-time employees	24	590	614	28	580	608

NEW EMPLOYEES AND EMPLOYEE TURNOVER BY GENDER AND AGE

	2025				2024			
	New employees		Employee turnover		New employees		Employee turnover	
	Number	Share, %	Number	Share, %	Number	Share, %	Number	Share, %
Key ratios for different groups:								
Women	285	29	292	30	348	34	363	35
Men	287	30	285	30	361	36	357	36
Non-binary	0	0	1	50	5	100	0	0
Age <30	326	45	292	41	486	66	451	61
Age 30–50	201	25	225	28	193	23	221	26
Age >50	45	11	61	14	35	8	48	11
Total within Pandox	**572**	**29**	**578**	**30**	**714**	**35**	**720**	**35**

Comments on tables for S1-6

Headcount by gender and country

There have been no significant changes in the total number of employees during the year. The greatest geographical change is in the UK, where cleaning is now outsourced to an external provider.

Headcount based on contract type by gender and region

The number of employees based on contract type is largely the same as the previous year and no significant structural shifts have been noted in 2025.

New employees and employee turnover

Pandox uses employee turnover as a measure of employee satisfaction. In 2024 there was a strong focus on diversity and inclusion, and this was reflected in lower employee turnover in 2025. The highest percentage of new recruits and the largest turnover is in the under 30 years age group. The hotel industry often serves as an entry point to the labour market for young people and therefore there is naturally higher mobility within this group.

During the year a number of employees who were previously recorded as non-binary have updated their gender identity data in the system. This has resulted in a change in the number of people recorded in the binary categories. The change does not affect employee turnover as it is attributable to revised reporting practices rather than anyone leaving the Company.

S1-8

COLLECTIVE BARGAINING COVERAGE AND SOCIAL DIALOGUE

	2025			2024		
	Collective bargaining coverage [1]		Social dialogue	Collective bargaining coverage		Social dialogue
Coverage	Employees within EEA	Employees outside EEA	Workplace representatives (all entities in Own Operations)	Employees within EEA	Employees outside EEA	Workplace representatives (all entities in Own Operations)
0–19%	Denmark, Sweden, Norway[2]	UK	Denmark, Sweden, Norway, Netherlands	Denmark, Sweden, Norway [2]		Denmark, Sweden, Norway, Netherlands
20–29%			UK			UK
30–59%	Germany		Germany	Germany	UK	Germany
60–79%			Belgium			Belgium
80–100%	Belgium, Finland, Netherlands		Finland	Belgium, Finland, Netherlands		Finland

[1] Representation on a European Works Council or works council in a European company (Swedish company) or in a European Cooperative Society (SCE) in 2025 is avaiable for all personnel in Belgium.
[2] For Norway and Sweden this relates only to employees at the head office as well as one employee in property management who belongs to the head office, where there are no collective bargaining agreements.

Comments on the tables for S1-8
All hotel employees have the opportunity to appoint a works council for their hotel, consisting of employee representatives and an appointed manager. The council is tasked with ensuring that the employees' rights are respected. Internal grievances can also be raised with the council and are then communicated to the hotel's management so that appropriate steps can be taken.

Better awareness and a clearer understanding of collective bargaining agreements in the UK have contributed to the adjustments for the year compared with past reporting.

S1-9

AGE DISTRIBUTION BY EMPLOYMENT CATEGORY

	2025				2024			
		Distribution by age group, %				Distribution by age group, %		
	Total number	<30 years	30–50 years	>50 years	Total number	<30 years	30–50 years	>50 years
Board of Directors[1]	6	0	17	83	7	0	14	86
Executive management team[2]	10	0	20	80	10	0	10	90
Own Operations								
Management [3]	281	19	58	23	296	20	59	20
Hotel employees	1,611	41	38	21	1,610	40	38	22
Property management								
Management [3]	4	0	25	75	4	0	50	50
Other administrative employees	11	0	45	55	8	0	38	63
Head office								
Management [4]	3	0	33	67	2	0	50	50
Other head office employees	26	12	69	19	27	11	74	15
Total within Pandox (excl. Board)	**1,946**	**37**	**41**	**22**	**1,957**	**35**	**41**	**24**

[1] All board members are non-executive.
[2] The executive management team is defined as the highest level of management below the Board of Directors.
[3] Includes general managers, business area managers, HR managers etc. excluding the executive management team.
[4] Managers at head office who are not part of the executive management team.

GENDER DISTRIBUTION BY EMPLOYMENT CATEGORY

	2025				2024			
		Gender distribution,%				Gender distribution,%		
	Total number	Women	Men	Non-binary[1]	Total number	Women	Men	Non-binary[1]
Board of Directors[2]	6	33	67	0	7	43	57	0
Executive management team	10	30	70	0	10	30	70	0
Own Operations								
Management	281	45	55	0	296	45	55	0
Hotel employees	1,611	53	47	0	1,610	52	48	0
Property management								
Management	4	25	75	0	4	25	75	0
Other administrative employees	11	18	82	0	8	25	75	0
Head office								
Management [3]	3	67	33	0	2	50	50	0
Other head office employees	26	46	54	0	27	41	59	0
Total within Pandox (excl. Board)	**1,940**	**51**	**49**	**0**	**1,957**	**51**	**49**	0

[1] A total of two people within the Own Operations segment reported as non-binary in 2025, which is less than 1 percent and therefore presented as 0 percent.
[2] All board members are non-executive.
[3] Managers at head office who are not part of the executive management team.

Comments on the tables for S1-9
Pandox maintains a high level of diversity in its workforce, particularly in the Own Operations segment, where diversity in terms of ethnicity, gender, religion and age is significant. The gender distribution within the organisation is at the same level as the previous year and no significant changes have been noted between 2024 and 2025.

The percentages of women and men in senior positions are largely the same as the previous year. The percentage of women in the executive management team is also at the same level as the previous year, signifying stable representation over time.

Pandox's target for a maximum of 60 percent of the workforce to consist of the same gender identity has been maintained for all employee groups, with the exception of the executive management team, senior management and administrative employees. Read more about Pandox's goals for diversity and inclusion on page 127–128.

S1 cont.

S1-13

EMPLOYEES WHO COMPLETED A PERFORMANCE AND CAREER DEVELOPMENT REVIEW, %

	2025				2024			
	Share, %				Share, %			
Employment category	Total	Women	Men	Non-binary	Total	Women	Men	Non-binary
Key ratios for different groups:								
Executive management team	70	100	57	0	90	100	86	0
Own Operations								
Management	91	91	992	0	82	56	84	0
Other hotel employees	88	87	89	100	87	86	89	60
Property management								
Management	75	0	100	0	75	0	100	0
Other administrative employees	73	100	67	0	75	100	67	0
Head office								
Management	67	50	100	0	100	100	100	0
Other head office employees	50	42	71	0	63	55	69	0
Total within Pandox	**88**	**88**	**89**	**100**	**86**	**85**	**88**	**60**

AVERAGE HOURS OF TRAINING PER EMPLOYEE

	2025				2024			
	Average number of hours				Average number of hours			
Employment category	Total	Women	Men	Non-binary	Total	Women	Men	Non-binary
Key ratios for different groups:								
Executive management team	4	4	4	0	43	48	41	0
Own Operations								
Management	12	12	12	0	13	9	13	0
Other hotel employees	8	6	10	14	10	9	10	52
Property management								
Management	0	0	0	0	0	0	0	0
Other administrative employees	9	1	11	0	7	18	3	0
Head office								
Management	0	0	0	0	14	21	8	0
Other head office employees	12	12	13	0	19	20	18	0
Average number of training hours within Pandox	**8**	**7**	**10**	**14**	**10**	**10**	**11**	**52**

Comments on the tables for S1-13

The number of employees who completed a performance and career development review in 2025 is 1,721 (1,682), which is equivalent to 88 (86) percent.

No significant changes were identified in 2025 compared with the previous year. The decrease in the percentage of employees who had a performance and career development review is mainly explained by the fact that the category of managers at head office is very small – a total of four people – which means that even just one or two lacking a performance and career development review has a significant impact on the outcome as a percentage.

For the average hours of training, the differences between 2024 and 2025 are mainly due to the fact that four employees – two in executive management, one manager and one other employee – completed very extensive training programmes in 2024. These multiple hours of training were spread across all employees, which raised the average for that year. There were no similar programmes in 2025, which means the outcome appears significantly lower in comparison. In addition, employees invested a considerable amount of time in leadership training and in training in diversity and inclusion in 2024, resulting in an unusually high outcome. The focus in 2025 was instead on putting past training into practice, which has naturally resulted in fewer reported training hours.

S1-14

WORK-RELATED ILL HEALTH[1)]

	Number	
	2025	2024
Employees		
Fatalities as a result of work-related ill health	0	0
Reported work-related ill health	9	6

1) Work-related ill health includes poor health or illness caused by exposure to hazards at work or a poor work environment.

SICKNESS ABSENCE BY SEGMENT [1)]

	Sickness absence, %	
All types of sickness, ill health or injuries	2025	2024
Own Operations	9.6	9.8
Property management	0.3	0.4
Head office	0.6	0.8
Total	**9.3**	**9.5**

1) Sickness absence is presented as a percentage of total scheduled hours worked. Total sickness absence is based on all employees in the Group.

WORK-RELATED INJURIES[1), 2)]

	2025		2024	
	Number	Rate of fatalities/ accidents	Number	Rate of fatalities/ accidents
Employees				
Fatalities resulting from work-related injuries	0	0	0	0
Serious work-related injuries (excl. fatalities)	0	0	1	0.52
Reported work-related injuries	53	24.91	46	23.73

1) The number of hours worked by Pandox's own employees amounted to 2,127,957 in 2025 and 1,949,907 in 2024 for the head office, Leases and Own Operations.

2) A work-related injury is a non-fatal or fatal injury that occurs in connection with or while performing work duties.

Comments on the tables for S1-14

The number of reported cases of work-related ill health among employees in 2025 has increased marginally compared with 2024. The most common causes of reported ill health were ergonomic issues, such as back pain and strain-related problems, as well as falling or slipping accidents. An increase in reported mental ill health was also noted during the year.

Sickness absence was in general at a very similar level to the previous year. Reported incidents of injury and ill health resulted in 29,905 (29,697) days of absence in 2025.

The number of serious work-related injuries is in line with previous years. The small increase in the number of reported work-related injuries is assessed to be primarily due to an increased focus on reporting incidents and injuries. The trend is otherwise stable. The accident rate was in line with the outcomes of previous years.

Just as in previous years, the most common types of work-related injuries in 2025 were cuts, falling and slipping accidents, and strains.

S2 Workers in the value chain

Employees | Business partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

	Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
S	Equal treatment and opportunities for all	Negative impact	• Human Rights Policy • Code of Conduct for Business Partners • Modern Slavery Act	• Supplier audits and strong due diligence • Site visits for high-risk suppliers	• Target for supplier audits performed for high-risk suppliers that included a site or red-flagging	• The supplier audit process: outcomes are reported under the G1 standard
	Working conditions	Negative impact				

Pandox's impact on workers in the value chain is mainly linked to health and safety matters, equal treatment and employment terms. Insights into these circumstances generally diminish the further along the value chain the work is taking place. At the far end of the value chain, in raw materials extraction, there are also elevated risks of child and forced labour, particularly in the construction industry as well as the coffee and tea industry. Despite this, Pandox has good potential to have an impact by requiring its suppliers to follow the Company's Code of Conduct for Suppliers, which sets out clear expectations relating to ethical guidelines, labour rights and gender equality.

Pandox's definition of workers in the value chain includes both upstream and downstream actors. Upstream actors are employees of suppliers providing products and services to Pandox. Downstream includes hotel staff within the Leases business segment as well as any agency staff working within hotel operations.

Policies

S2-1

Human Rights Policy

Pandox is committed to respecting and promoting human rights in all of its operations, including in the value chain. The Company's Human Rights Policy covers all business partners, including suppliers and subcontractors.

A detailed description of the Human Rights Policy can be found in the "Own workforce" section.

Code of Conduct for Business Partners

The Code of Conduct for Business Partners clarifies the requirements that Pandox places on suppliers regarding working conditions and terms of employment. It aims to create a common understanding of Pandox's values and includes minimum requirements in the area of labour law, such as the prohibition of child labour and forced labour, as well as rules on terms of employment, working time, wages and benefits. The Code also addresses human rights, including zero tolerance for crime, sexual exploitation, prostitution and human trafficking. It emphases fair and equal treatment and personal data protection. Health and safety, freedom of association and the right to collective bargaining are also included. The policy is based on the Ten Principles of the UN Global Compact and its underlying conventions and declarations covering human rights and labour rights (ILO).

The Code of Conduct for Business Partners was prepared taking into consideration the views of business partners and is aligned with Pandox's Code of Conduct for Employees. Suppliers are expected to meet the same high ethical standards as the Company's own employees. All suppliers are expected to accept the terms in the Code of Conduct at the time they sign a contract with Pandox.

Modern Slavery Act

Pandox also communicates via a Transparency Statement according the UK Modern Slavery Act posted on the Company's website. The statement describes the Company's work on human rights and relates to all of Pandox's business activities and its supply chain. Both the Human Rights Policy and the Code of Conduct address identified risks and potential negative impacts.

The policies were produced in consultation with an external party, with relevant conventions and declarations having been analysed to ensure compliance. Compliance and any non-compliance are monitored through scrutiny and controls that are part of Pandox's supplier audit process.

Pandox's SVP, Director of Sustainable Business is responsible for the content of the policy, while responsibility for its implementation rests with the CEO and executive management team. All policies are adopted annually by Pandox's Board of Directors and are available on the Company's website.

Dialogue and action process

S2-2

Supplier audits

Pandox interacts with workers in the value chain mainly through the supplier audit process. If necessary, site visits are carried out and include interviews with the supplier's employees. This process is relatively new and up until now only a few site visits have been conducted. Most were visits to building contractors, an industry that has been identified as particularly risky from a social perspective. These site visits often result in the identification of areas for improvement and required action plans to address shortcomings.

Supplier audits are to take place on an ongoing basis during the year. On a six-monthly basis a spend analysis also takes place to ensure that no suppliers have been missed. Site visits are conducted as needed and help to create a close dialogue between Pandox and its suppliers. A more detailed description of the supplier audit process can be found under ESRS 2 – Due diligence process.

Migrant workers in the cleaning and laundry industry have been identified as a particularly vulnerable group in terms of human rights in the tourism industry. This is addressed in the annual analysis carried out as part of the double materiality assessment, and is included in the supplier audit through a questionnaire sent to suppliers with the highest identified risk.

Dialogue with tenants and stakeholders

Engaging with workers in the value chain takes place through stakeholder dialogue, mainly with tenants. This dialogue takes place continually during the year and is supplemented by an annual tenant survey. The survey enables fol-

S2 cont.

low-up on implemented actions and an evaluation of their effectiveness in improving the dialogue.

Pandox's SVP, Director of Sustainable Business is responsible for the supplier audit process in cooperation with relevant internal departments, such as property management, and department heads within the Own Operations segment. The SVP is also responsible for ensuring that the tenant survey is sent out every year and that follow-up and further dialogue take place with property managers.

S2-3

Workers in the value chain, like other stakeholders, have the opportunity to report suspected misconduct through Pandox's whistleblower system, which is available on the Company's website. Pandox ensures that this channel is also available to workers in the value chain through measures such as improved visibility and improved navigation on the website.

For more information on the whistleblower system and how Pandox ensures employees and other stakeholders are protected from reprisals, and what the Company is doing to create trust in the structures and procedures for reporting problems, see the "Business conduct" section.

Actions

S2-4

Pandox takes active steps to manage potential negative impacts on workers in the value chain. Constant improvements are made to processes to identify, prevent and mitigate negative impacts, including in consultation with affected individuals and relevant stakeholders. In practice this means requiring suppliers and subcontractors to follow the Code of Conduct, and publishing the Transparency Statement according to the UK Modern Slavery Act, including updates and key activities.

One key tool in this effort is the supplier audit process which ensures that business partners meet the requirements in the Code of Conduct for Business Partners and the Human Rights Policy. This system enables social risks to be mitigated and supplier compliance to be monitored.

In 2025, three site visits were conducted for two suppliers in the construction industry, one of the industries identified as having a particularly high risk. At these visits certain shortcomings were discovered, which led to required action plans and follow-up of the suppliers in question. Additional site visits are planned to follow up on the actions implemented. If the shortcomings remain after this follow-up process, Pandox may terminate the supplier's contract. No serious human rights-related incidents have been identified in the value chain.

Pandox has at this time determined that no further measures, action plans or increased contact with workers in the value chain is necessary beyond the existing supplier audit process. There are no procedures for providing for or compensating those impacted beyond the supplier audit process.

For more information on resource allocation and effectiveness assessment relating to these measures, see the "Business conduct" section. All measures are otherwise operational in nature and classified as operating expenditure.

Targets and outcomes

S2-5

Within the framework of the supplier audit process Pandox has defined a sustainability-related target in partnership with its main banking partners. The target is presented in the "Business conduct" section and is also relevant to our impact within S2 as it is based on the metrics linked to supplier audits and compliance with the Code of Conduct. By monitoring these metrics, Pandox is addressing several of the risks identified within S2, such as working conditions, risk of forced labour and a lack of insight into suppliers.

The target is integrated into Pandox's overall sustainability management and is linked to specific metrics. The outcome of this target is monitored on an ongoing basis and reported in the "Business conduct" section.

Expansion of DoubleTree by Hilton Brussels City.

S3 Affected communities

Employees Business partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
Human rights and social impact	Negative impact	• Code of Conduct for Employees • Code of Conduct for Business Partners • Human Rights Policy	• Training in the prevention of human trafficking and prostitution • Cooperation with local police authorities • Annual Modern Slavery Act statement	• Zero tolerance for all forms of sexual exploitation, prostitution and human trafficking	• Incidents involving human trafficking, prostitution, discrimination or sexual harassment 0 • Training in the topic of prostitution: 1,505 employees

Within hotel environments there is a risk of human trafficking and prostitution, something that Pandox is highly aware of. Through continual staff training and a clear zero tolerance policy the Company is taking active steps to prevent these crimes. Particularly vulnerable groups include migrants, refugees, women, minors and people who are socially or financially vulnerable.

Policies

S3-1

Pandox has a clear and expressed zero tolerance for all forms of sexual exploitation, prostitution and human trafficking in its operations. This is stated in Pandox's Human Rights Policy, Code of Conduct for Employees and Code of Conduct for Business Partners. The Human Rights Policy applies to all of Pandox's business, including the supply chain and the communities where Pandox operates. A detailed description of above-mentioned policies can be found in the "Own workforce" and "Workers in the value chain" sections. All the policies are updated annually and signed by the Board of directors.

Through these policies and procedures, Pandox is working systematically to prevent and manage the risk of human rights violations in communities around the hotels and in the value chain. These efforts are primarily proactive and Pandox therefore has no separate process for remedial action linked to S3.

Dialogue and action process

S3-2, S3-3

All of Pandox's hotels have established incident reporting procedures and Pandox regularly follows up on safety routines and incidents to ensure that hotels are safe and secure places.

The human rights impact assessment is used as a basis for identifying and analysing awareness about human rights in affected communities. If there is any suspicion of prostitution, human trafficking or sexual assault, this is to be immediately reported to hotel management. All employees are trained in the Company's Code of Conduct and are responsible for drawing attention to and reporting suspected incidents.

Pandox also provides a whistleblower service which is available for all employees and external stakeholders. This is an anonymous process and all reported incidents are processed by an external party. The whistleblower system and division of responsibility are presented in more detail in the "Business conduct" section.

Actions

S3-4

Prevention of human trafficking and prostitution is carried out both through internal training and continuous collaboration with local police authorities. During the year Pandox has provided training to staff who are in contact with guests in daily operations at the hotels where no previous training had been provided on the topic of prostitution. The training focuses on how employees can identify, report and monitor suspected cases of prostitution at the hotels.

Pandox also has an active partnership with the police and local authorities to prevent and manage potential situations.

Finally, Pandox works proactively to minimise the risk of trafficking and prostitution at the hotels within the Own Operations segment and publishes a Transparency Statement every year in accordance with the UK Modern Slavery Act, which communicates developments and relevant key activities.

These measures are operational in nature and the cost is classified as operating expenditure (OpEx). They are part of Pandox's ongoing management and training programmes.

Hotels in the Own Operations segment report each year whether there have been any incidents involving human trafficking, prostitution, discrimination or sexual harassment and if so, how these were handled. Any reported incidents are managed individually on a case-by-case basis to ensure appropriate and responsible steps are taken. The occurance and handling of these are published in the outcome below.

Targets and outcomes

S3-5

Pandox has zero tolerance for all forms of sexual exploitation, prostitution and human trafficking. This target is in line with industry practice. However, the affected communities were not involved in the process of establishing the target. This is monitored through incidents reported at the hotels as well those reported through Pandox's whistleblower channel. In 2025 a total of 0 (0) cases were reported.

Training programmes are monitored continually and reported on by the Sustainability Manager for the Own Operations segment at the end of the year. It should be noted that not all Pandox employees receive this training, only those who come into contact with hotel guests in various contexts. For this reason, only the total number of employees who have received the training is presented, rather than a percentage of the total number of employees. For 2025, training on the topic of prostitution was completed by 1,505 (954) employees.

S4 Consumers and end-users

Employees | Business partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
Personal safety	Negative impact	• Code of Conduct for Employees • Code of Conduct for Business Partners • Human Rights Policy	• Review of tenant survey results • Review of guest satisfaction survey results • First aid training for all employees	• At least 80 percent of guests at the hotels operated by Pandox would recommend the hotel to others	• NPS: 21 • Guest satisfaction: 85% • Incidents that impact the guests or the health and safety of hotel visitors: 1
Social inclusion	Positive impact				

Pandox has direct responsibility for the hotel guests in the Own Operations segment, and guest safety is a priority. Shortcomings in safety procedures or cybersecurity, inadequate staff training or a lack of clear guidelines can expose the guests to inappropriate behaviour or harassment, which poses a risk of negative impacts on their safety. To prevent this, Pandox is taking active steps to intensify its efforts in the area of security. The Company is also taking steps to increase accessibility by offering adapted hotel rooms that are accessible for all.

Consumers and end-users are defined as tenants in the Leases business segment and hotel guests in the Own Operations segment.

Policies

S4-1

The material topics relating to consumers and end-users are addressed by Pandox's Code of Conduct for Employees and the Code of Conduct for Business Partners, as well as by the Human Rights Policy. The policies are aimed at ensuring that the guests have a safe and positive experience when visiting the hotels operated by Pandox. This is achieved by Pandox prioritising health and safety in accordance with the national and international laws and regulations in force.

In the context of consumers and end-users, the Code of Conduct for Employees requires that frequent fire drills are conducted by the employees, and that the hotels provide guests with clear information on evacuation routes, emergency exits and emergency procedures. The policy also includes zero tolerance for harassment and discrimination. A detailed description of the Code of Conduct for Employees can be found in the "Own workforce" section and of the Code of Conduct for Business Partners in the "Workers in the value chain" section. The policies are updated annually and are available to the public via Pandox's website.

The CEO and executive management team are responsible for implementation of the policies as approved by the Board. The policies apply to all of Pandox's operations without exception.

Dialogue and action process

S4-2, S4-3

Dialogue with hotel operators and hotel guests takes place through two separate surveys conducted annually. One is for Pandox's tenants and aims to measure how they experience Pandox as a property owner, while the other focuses on guest satisfaction among consumers and end-users at the hotels operated by Pandox. The response rate from the surveys gives an indication of how effectively Pandox has engaged with these groups.

Tenant survey

Tenant satisfaction is measured through an annual survey sent out to Pandox's tenants. The questions cover how well the properties are functioning, Pandox's role as a property owner and other aspects relating to customer satisfaction, such as opinions on channels for addressing grievances. The survey is conducted by a third party and followed up by the SVP, Director of Sustainable Business and the property management department.

Guest satisfaction analysis

A guest satisfaction analysis is carried out annually by an independent third party and provides insights into how guests experience their stay. The analysis covers all guest reviews expressed in public forums, ensuring that a broad spectrum of experiences, including those from particularly vulnerable individuals, is taken into account. The results are used to identify areas for improvement and to develop strategies that enhance the guest experience. The analysis is followed up on a continual basis by the SVP, Director of Sustainable Business, enabling lessons to be learnt from past initiatives and procedures to be adjusted to prevent recurring problems.

Channels for expressing concerns and to file grievances

Pandox offers multiple channels for reporting incidents. Tenants and guests can report incidents directly to hotel management and each case is handled individually. There is also an opportunity to report anonymously through Pandox's whistleblower system. This system allows for an objective follow-up process and for any necessary steps to be taken to remedy negative impacts. For further information on how Pandox's whistleblower system ensures that reported information from guests and tenants is managed and followed up, and on how individuals are protected from reprisals, see the "Business conduct" section.

Actions

S4-4

Tenants

The results of the tenant survey are reviewed by Pandox's

S4 cont.

property management department for implementation and improvement. They are used as a basis for discussions with tenants. The tenant survey results have also been presented and discussed in a joint meeting attended by the Nordic property management team. This work also includes how matters related to inclusion impact the functionality of the properties. The insights have, for example, contributed to the continued development of common procedures and improvements in how shortcomings and service issues are managed within the framework of the implementation and development of a new property management system.

Hotel guests
Any accidents affecting guests at hotels operated by Pandox are reported daily in the hotel's internal operations log. This routine makes sure that incidents are documented systematically and that steps can be taken in accordance with the safety procedures in place.

To ensure guest safety, Pandox employees undergo first aid training every three years. Any reported incidents are also followed up semi-annually through the Group-wide reporting process. Through this process incidents that may have a negative impact on guest health and safety are reviewed and documented.

These initiatives are operational in nature and the cost is classified as operating expenditure (OpEx). The measures form an integral part of Pandox's ongoing work on leadership and skills development. Although there is no separate process for remedial action, this is handled proactively and on a case-by-case basis.

Targets and outcomes

S4-5

Tenants
The most recent survey yielded a Net Promoter Score (NPS) of 21 (19), which is classed as "good". It means that Pandox has satisfied and loyal tenants who would be inclined to recommend the Company. The score also provides an insight into how happy tenants are with the properties and how they view Pandox's strategy and sustainability approach. The response rate was 53 (52) percent. As part of constant improvement efforts, Pandox is reviewing target levels in the tenant survey to ensure that they are appropriate and reflect the Company's ambitions going forward.

Guest satisfaction
Pandox's aim is for at least 80 percent of guests at the hotels it operates to be willing to recommend the hotel to others. This level was chosen because it is considered to be the breakpoint where satisfied customers turn into loyal ones. The target is not time-bound but is to be reached annually.

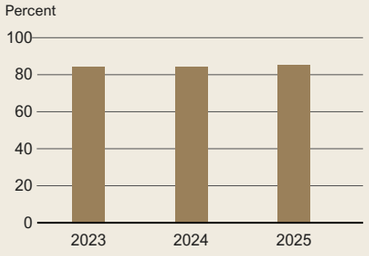
Guest satisfaction is measured through the annual guest satisfaction analysis conducted by an independent third party. The most recent analysis, performed in 2025, shows a result of 85 (84) percent. The results are continually analysed by an external party and used as a basis for improving the guest experience and ensuring that the target level is reached over time.

Outcomes are also reported based on incoming incident reports regarding the impact of hotel services on hotel guest health and safety. This includes any incidents occurring at the hotels during the year. The results from this process are presented in the table under the heading "The impact of products and services on Pandox's hotel guests' health and safety".

Consumers and end-users were not involved in creating the targets, nor are they engaged in the follow-up process to determine the effectiveness of these targets. The targets were not updated in 2025. At this time Pandox has not identified any need to set targets for or measure additional metrics relating to end-consumers, other than the guest satisfaction analysis above and outcomes of incidents relating to guests' or visitors' health and safety.

GUEST SATISFACTION

Target 2025: 80% | Outcome 2025: 85%

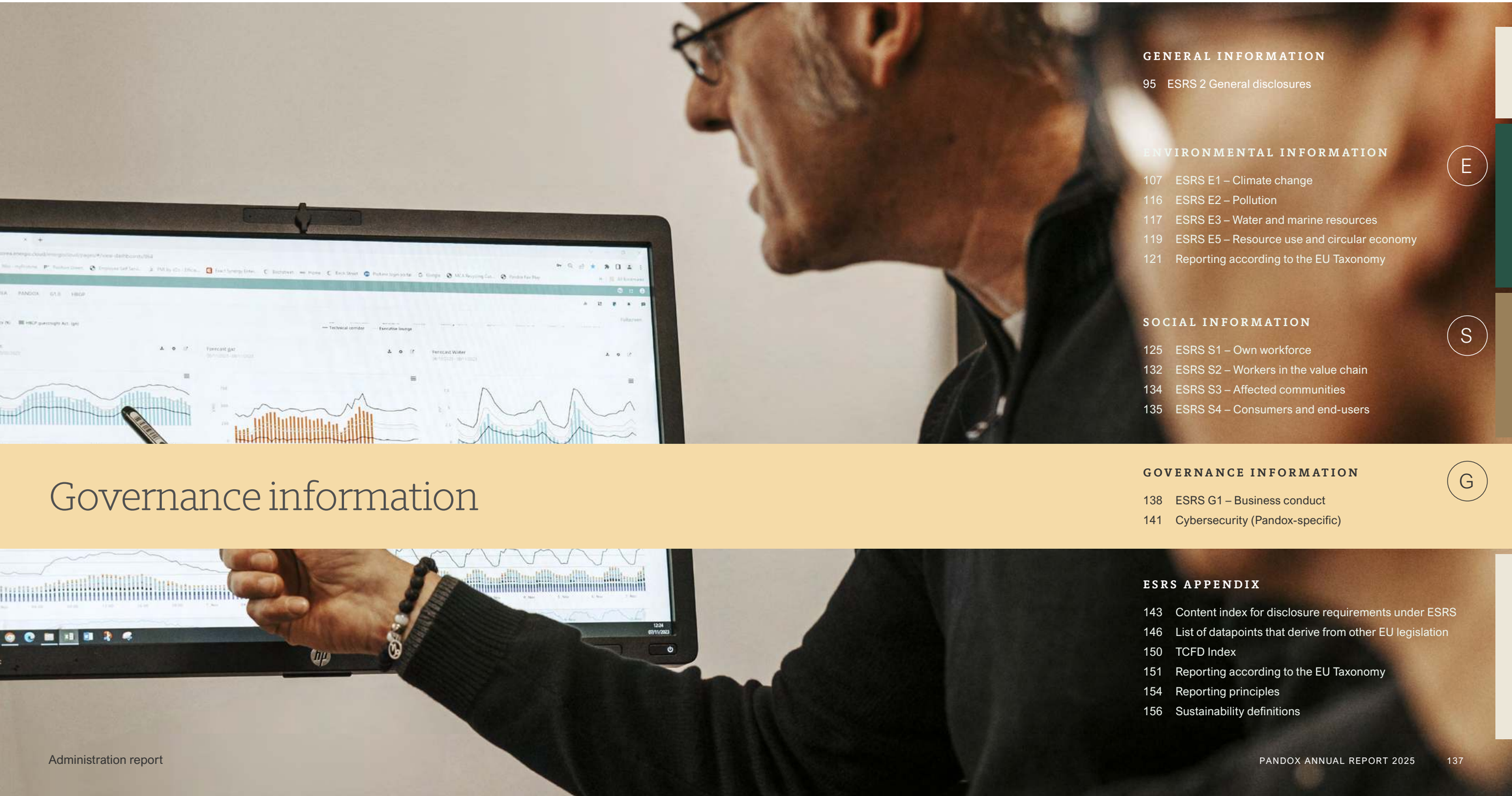


THE IMPACT OF PRODUCTS AND SERVICES ON PANDOX'S HOTEL GUESTS' HEALTH AND SAFETY

	2025	2024
Total number of incidents where a guest's or visitor's health or safety was negatively affected during a visit to a Pandox hotel	1	3[1)]
– of which the number of incidents where those affected received compensation	1	0
– of which the number of incidents of non-compliance with laws	0	0
– of which the number of incidents of non-compliance with voluntary standards	0	0
– of which the number of incidents of non-compliance with laws that resulted in fines or other penalties	0	0
– of which the number of incidents of non-compliance with laws that resulted in a warning	0	0

[1)] None of the cases resulted in a fine.

Comments on the table
One guest was injured after tripping over construction equipment. The guest received compensation and the matter was dealt with based on the applicable legal requirements. Pandox is always working to improve its processes and to prevent similar situations from happening in the future. No incidents were caused by non-compliance with laws or voluntary standards and none resulted in any fines, penalties or warnings.



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G1 Business conduct

Employees Partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

	Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
G	Corporate culture	Positive impact	• Code of Conduct for Employees	• Training in the Code of Conduct • Encourage feedback on the corporate culture	• All employees are to complete training in Pandox's Code of Conduct	• Completed training in Pandox's Code of Conduct: 79%
	Management of relationships with suppliers	Negative impact	• Code of Conduct for Business Partners	• Require suppliers to accept the Code of Conduct for Business Partners • Supplier audits	• All suppliers to be audited, site visit if shortcomings are identified or ban on using the supplier	• Number of suppliers given a risk profile: 2,166
	Corruption and bribery	Negative impact	• Anti-Corruption Policy	• Anti-corruption training • Reporting of incidents	• Zero tolerance for corruption or bribery	• Number of cases of corruption: 1

Pandox has identified both positive and negative impacts associated with the corporate culture, business ethics and the supply chain. A strong corporate culture that encourages innovation and development makes a positive contribution to the business. At the same time, there are potential negative impacts to consider, particularly in areas such as corruption, bribery and supplier relations.

Suppliers are audited regularly through Pandox's supplier audit system, with a particular focus on the construction industry where there is a risk of socially unsustainable labour practices and materials production. The audit also covers cleaning and laundry companies as well as staffing agencies for restaurant operations, as these categories are assessed as high-risk suppliers. This audit is an important part of ensuring that Pandox takes responsibility throughout the value chain.

Corruption and bribery are generally a risk in operations that involve procurement, as partiality when signing contracts can have financial consequences. Although no such cases have been reported within Pandox, this is an area that is monitored carefully in order to maintain transparency and integrity in business relations.

Policies

G1-1

Identified impacts are managed overall through Pandox's codes of conduct for employees and business partners, as well as through a separate Anti-Corruption Policy. Responsibility for the implementation of these policies lies with the CEO and CFO, in close collaboration with the SVP, Director of Sustainable Business.

To ensure they are up-to-date and relevant, all the policies are updated annually and adopted by the Board. All Pandox's policies are available on the Company's website.

The following policies form the basis of Pandox's corporate culture and governance. The principles in these policies reflect the Company's commitment to integrity, fairness, transparency and respect for human rights throughout the business.

Code of Conduct for Employees

All the topics in the area of business ethics are included in Pandox's Code of Conduct for Employees. In all situations, regardless of country or market, Pandox's actions should be characterised by responsibility and respect for customers, employees, suppliers, business partners and the local community. The Company is committed to good business ethics and strives for long-term and trusting relationships. In the event of a breach or suspected breach of the Code of Conduct for Employees, employees should immediately report the incident to their line manager. If this is not possible, the manager's manager should be informed as per the chain of command. A detailed description of the Code of Conduct for Employees can be found in the section Own workforce.

Code of Conduct for Business Partners

Pandox also has a Code of Conduct for Business Partners, which requires all business partners, suppliers and their subcontractors to act responsibly and sustainably. The policy covers areas such as human rights, labour conditions, environmental protection, business ethics and anti-corruption, but also an expectation that suppliers will comply with the principles set out in Pandox's Environmental Policy. The Code of Conduct highlights that Pandox does not accept child labour, discrimination or corruption, and demands fair wages and safe working conditions. A detailed description of the Code of Conduct for Business Partners can be found in the section Workers in the value chain. Pandox monitors compliance as part of its supplier audit efforts and through Pandox's whistleblower function.

Anti-Corruption Policy

In addition, Pandox has a specific Anti-Corruption Policy in accordance with the Ten Principles of the UN Global Compact and in line with the relevant parts of the UN Convention Against Corruption (UNCAC). The policy contains guidelines for understanding and preventing bribery, financial crimes, conflicts of interest, cronyism, nepotism and unfair competition. It focuses in particular on the financial risks that corruption may entail, such as increased costs, legal sanctions and reputational risk. Pandox's entire business is covered by the policy. Pandox has zero tolerance for corruption or bribery.

Whistleblower system

To ensure transparency and accountability, Pandox has established an independent external whistleblower system as a complement to internal reporting channels. The aim is to provide employees and external stakeholders with a safe and anonymous channel to report suspected irregularities or deviations from Pandox's policies, without a risk of retaliation. Awareness of the whistleblower system among external stakeholders is not currently measured. Pandox is subject to the statutory national whistleblower requirement.

G1 cont.

The whistleblower system can be used to report suspicions of corruption or other irregularities, or to raise grievances and request action against negative impacts. The system can also be used to report human rights abuses, harassment or deficiencies in working conditions. Cases received are handled by an external party and, depending on the severity, can lead to measures such as training, a warning or termination of employment.

In 2025 Pandox enhanced accessibility by launching a multilingual whistleblower campaign. A poster with instructions on how to report concerns was produced in 10 languages and placed in staff rooms, changing rooms and internal communication channels. The purpose of the campaign was also to reach agency staff in areas such as cleaning and restaurant operations.

Reported cases indicate that the channel is effective and has the trust of stakeholders.

Management of relationships with suppliers

G1-2

Pandox strives for fair and transparent relationships with suppliers through clear requirements, dialogue and support for improvement measures. The expectation is that Pandox's Code of Conduct for Business Partners will be complied with by all suppliers. It describes Pandox's requirements in the areas of human rights, environmental protection, business ethics and anti-corruption. In addition, supplier relationships are managed according to the principles of due diligence. For a detailed description, refer to the section "Due diligence processes".

All Pandox suppliers are audited from an environmental, social and business ethics perspective. The purpose of the supplier audit is to check compliance with Pandox's values. This includes minimising the risk of illegal labour and corruption. The audit also aims to promote sustainable business, streamline the purchasing process and create long-term partnerships with suppliers who meet Pandox's requirements. This auditing takes place on an ongoing basis.

The audit process is managed by external consultants to ensure Pandox's independence. Suppliers are categorised and uploaded into a digital audit tool. In the system each supplier is assigned a risk profile based on parameters such as Pandox's spend as well as the supplier's country and sector. Suppliers red-flagged in the initial risk profile are required to complete a self-assessment form, available in five languages to facilitate understanding. The form is dynamic and only shows relevant questions based on the supplier's answers. Any of the supplier's answers that are not in line with Pandox's Code of Conduct or local laws are red-flagged. The consultants then request additional documentation, evidence or clarifications. The consultants review this and are responsible for changing the final assessment to approved based on their professional judgment. If the answers are inadequate even after dialogue, an on-site audit must be carried out where possible. Suppliers that are red-flagged in the final assessment must also be escalated to the procurement council, which includes representatives of the executive management team such as the CFO, SVP Director of Sustainable Business, VP Property Management & Development and VP Asset Management Nordics. Only the procurement council can make an exception for a supplier that is red-flagged in the final assessment, and this must be documented. No cases where individuals are deemed to be directly affected have been identified in 2025, and therefore no remediation has needed to be implemented.

Cases of suppliers red-flagged in the final assessment were escalated to the procurement council during the year, and these suppliers have been banned from use until an approved assessment has been carried out. This included suppliers that were part of the 2024 spend analysis, which were closely monitored in this year's spend analysis to identify whether escalated suppliers are continuing to be used. The primary reason for escalation is failure to respond to the form or follow-up questions, rather than identified shortcomings in the business.

The aim going forward is to carry out risk assessment and self-assessment already at the time of procurement and purchasing, in order to be able to select suppliers before signing a contract.

Pandox's sourcing process is to ensure that internal procedures are in place for handling payments to suppliers, regardless of size. Using system solutions that generate reminders to verifiers and a practice that all payments must go through before the due date, Pandox ensures that payments are made on time, to all suppliers.

The resources allocated to the supplier audit efforts primarily include licensing costs for the audit system and consulting costs. These resources are used for follow-up, analysis and implementation of audits within the framework of the process.

Prevention and detection of corruption and bribery

G1-3

All business transactions entail a risk of corruption and bribery, which can have a negative impact on human rights and society at large. Moreover, Pandox has business partners within the construction industry, which is a high-risk sector for corruption. There is therefore potential negative impact with respect to corruption throughout Pandox's value chain.

Reports of incidents

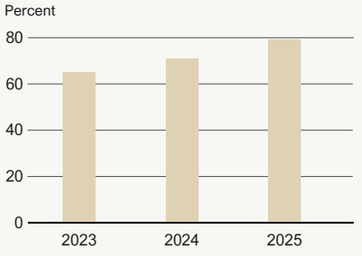
Pandox employees have an obligation to report suspected breaches of the Anti-Corruption Policy. In the event of an incident or suspected incident, employees should report the incident immediately to their line manager. If this is not possible, the line manager's manager should be informed as per the chain of command. Incidents or suspected incidents can also be reported via the whistleblowing service. Suspicions of corruption may lead to legal proceedings depending on the type and value of the benefit obtained. Consideration is also given to the type and value of the breach, its severity and the relationship between the parties. Breaches of the policy may result in disciplinary action and, in serious cases, dismissal and a police report. Potential incidents are integrated on an ongoing basis into the further evolution of anti-corruption efforts.

Training in anti-corruption and in the Code of Conduct

All employees at Pandox's head office, as well as those within the Own Operations segment identified as potentially being exposed to corruption risks, are given anti-corruption training through the Code of Conduct training and specific anti-corruption training. The anti-corruption training was produced in 2023, and in 2024 the employees assessed as being relevant completed the training.

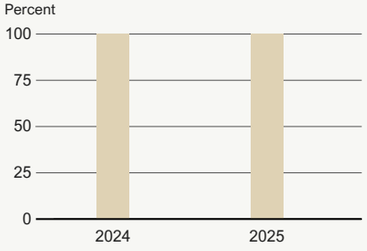
TRAINING IN THE CODE OF CONDUCT

Target 2025: 100% | Outcome 2025: 79%



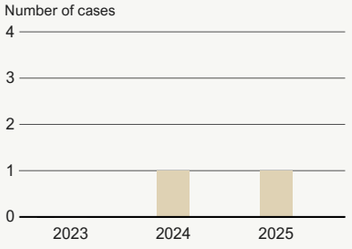
SITE VISIT OR PROHIBITION FROM USING BANNED SUPPLIERS

Target 2025: 100% | Outcome 2025: 100%



INCIDENTS OF CORRUPTION OR BRIBERY

Target 2025: 0 | Outcome 2025: 1



The anti-corruption training consists of eight modules where the employee has to respond to different scenarios. Anti-corruption is also part of the training covering the Code of Conduct for Employees. The training on the Code of Conduct is to be completed by new hires and then every three years. The training is web-based and requires the employee to complete all the modules and to correctly answer a number of questions at the end of the course. No changes or updates to the training were made in 2025 and therefore employees were not asked to repeat the training. The actual completion rate of the Code of Conduct training is measured and monitored annually.

Training in the Code of Conduct and in anti-corruption is currently not mandatory for the Board. However, in 2024 anti-corruption training was provided by an external third party to ensure that the Board is knowledgeable in this area.

Targets and outcomes

G1-4

Pandox's target is for all suppliers used during the reporting year to undergo a supplier audit in order to ensure that they comply with Pandox's Code of Conduct for Business Partners. For active suppliers this audit is to be repeated every five years. If a supplier is identified as having shortcomings and is given a red flag in the final assessment, the supplier is flagged up for further action. This means that a site visit is to be carried out or that a ban on using the supplier may be imposed, depending on the decision by Pandox's procurement council. The target is for 100 percent of suppliers that are red-flagged in the final assessment to undergo a site visit as part of the follow-up process. Where site visits are considered not effective or not possible, use of the supplier is to be banned until the supplier has had an approved final assessment.

The results of this process are reported in the table "Audit of existing suppliers based on environmental criteria, social criteria and business ethics". For the period September 2024 – August 2025, 98 percent of Pandox's total spend in the time period has been categorised. During the same period risk analysis was carried out for 2,166 of Pandox's suppliers, which is around 42 percent of the total supplier base and 72 percent of the spend. The target for supplier audits was developed in cooperation with selected partner banks, as the outcome is linked to the requirements for Pandox's sustainability-linked loans.

Pandox takes a zero-tolerance approach to corruption and bribery, and this is followed up annually. The number of reported incidents is stated as per disclosure G1-4. The Company also aims for all employees to undergo training in the Code of Conduct every three years as well as when first hired. In 2025 a total of 79 percent of our own workforce completed the Code of Conduct training, which is an increase from 2024. In addition, all employees at the head office completed anti-corruption training in 2024, with the training provided also being effective for 2025. A total of 60 (36) percent of employees in Own Operations completed the anti-corruption training.

The targets for supplier audits and training in the Code of Conduct were developed internally and are not based on legislation. The targets were not updated in 2025. All targets are validated by external parties with the exception of internal training in the Code of Conduct, which is validated internally.

Reporting principles

Reporting principles for all disclosure requirements within this standard can be found in the appendix on page 155.

MEASURED COMPLETION RATE OF TRAINING IN PANDOX'S CODE OF CONDUCT

	2025	2024
Number of employees who have completed Code of Conduct training	79%	71%

AUDIT OF EXISTING SUPPLIERS BASED ON ENVIRONMENTAL CRITERIA, SOCIAL CRITERIA AND BUSINESS ETHICS

	08/2025[1]	2024[2]
Number of suppliers given a risk profile	2,166	2,206
Number of suppliers with red-flagged risk profile	5%	7%
Number of suppliers awaiting assessment[3]	47	N/A[4]
Number of suppliers red-flagged in final assessment (after SAQ and follow-up)	6	-
Percentage of red-flagged suppliers given a site visit	33%	-
Percentage of red-flagged suppliers marked as banned	67%	-
Total percentage of red-flagged suppliers given a site visit or banned	100%	-

[1] The period covers September 2024 to August 2025 (rolling 12-month period).
[2] The period is the calendar year 2024.
[3] The suppliers are still in the assessment phase and the process has been escalated. Pandox is working actively with the suppliers to complete the assessment.
[4] The year 2025 is the first year for which Pandox has reported at this level of detail.

G1-4

INCIDENTS OF CORRUPTION OR BRIBERY

	2025	2024
Total number of cases of corruption[1]	1	1
– of which cases where an employee was dismissed due to corruption	1	1
– of which cases where contracts with business partners were terminated or not extended due to corruption	0	0
– of which the number of legal cases regarding corruption filed against the Company or employees	0	0

[1] In 2024 and 2025 Pandox had no convictions or fines as a result of violations of anti-corruption and anti-bribery laws.

Comments on the table

Training in the Code of Conduct

Pandox aims for all employees to complete training in the Code of Conduct every three years as well as when first hired. In 2025, 79 percent of Pandox's own employees completed the training, which represents an increase compared with the previous year. Despite the improvement, the outcome is still assessed as relatively low. The main reasons why the target has not been met are an increased level of employee turnover at those hotels that had a lower completion rate and the fact that many part-time employees have limited opportunities to set aside time for training. Efforts to increase the coverage rate continue, with a focus on facilitating implementation and ensuring that all employees are familiar with Pandox's Code of Conduct.

Supplier audits

The primary reason for a red flag in the final assessment is failure to respond to the form or follow-up questions, rather than identified shortcomings in the business. In 2025 site visits were made to two suppliers with a red-flagged risk profile to monitor the work environment, safety and compliance. The visits revealed certain recurring deficiencies linked to administrative procedures and work environment management, including attendance registration, risk assessments and documentation. At the same time, positive elements were noted such as good dialogue and an essentially functional work environment. Pandox will continue its monitoring to ensure that requirements are met on an ongoing basis.

Incidents of corruption or bribery

One case of corruption was detected during the year. No cases of confirmed negative impact within environmental, social or governance topics were detected higher up in the value chain during the year.

Cybersecurity (Pandox-specific)

Employees Partners

MATERIAL IMPACTS, RISKS AND OPPORTUNITIES (IROS)

	Sub-topics	Outcome of DMA	Policies	Actions	Targets	Outcome
G	Cybersecurity	Negative impact, financial risk	• Security Policy • Code of Conduct for Employees	• Data protection officer at each hotel in Own Operations • Incident follow-up meetings	• No targets, followed up through activities and outcomes; setting specific targets is not deemed effective • The objective is to achieve zero incidents	• Incidents reported

Pandox processes large volumes of personal and sensitive data from its hotel guests. To avoid incidents with potentially serious consequences, it is crucial that the Company processes this data in a secure and structured manner.

Policies

IT and Data Security Policy

Pandox has an IT and Data Security Policy that applies to all employees within Pandox's own operations as well as at head office. The policy is approved and signed by the Board of Directors, while the Group CFO has overall responsibility for its compliance. The security policy is available on the Pandox intranet.

Pandox has an IT forum to ensure that its work on IT-related issues is structured. The forum consists of Pandox's head of IT, CFO and representatives of Pandox's IT suppliers. The IT forum holds strategy meetings twice a year and operational meetings every two months. Focus areas include risk, change and incident management as well as IT security.

Data security is also integrated into Pandox's Code of Conduct for Employees. The policy emphasises the importance of protecting confidential information obtained from employees, business partners and guests. Protecting information means preventing the loss, misuse, unauthorised access, alteration or disclosure of information.

Actions

Within the Own Operations segment of Pandox there is a data protection officer (DPO) for each hotel. These DPOs are provided directly or indirectly by an external third party in the jurisdictions where the hotel operations are conducted. The hotels have direct access to a third party in the event of GDPR-related incidents.

In the event of a data breach, this is analysed by Pandox's Nordic IT consultants or by the hotels' IT departments. In more complex cases, external expertise and forensic specialists are brought in to assess the extent of the data breach. In more serious cases, and where there is a requirement to notify the data protection authorities in a jurisdiction, the Group's General Counsel and local legal expertise, which cannot be provided by a third party, are also involved. Follow-up meetings are held quarterly with third parties to report on activities other than incidents. Incidents are reported immediately, and there is an email address where reports can be made to a third party around the clock.

Cybersecurity measures include the use of firewalls, access control and password-protected systems. Continual improvement initiatives for both employees and systems are carried out, to always maintain the highest levels of guest privacy and data security. Physical security measures also include perimeter protection, security guards and surveillance cameras. To ensure the security of end-consumers/guests, employees are given regular training in data security. These efforts are operational and are classified as operating expenditure (OpEx). The measures form an integral part of Pandox's ongoing work on security and skills development.

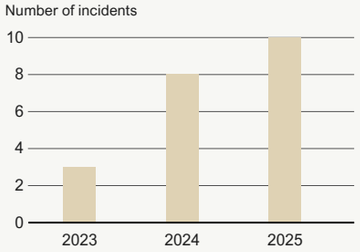
Targets and outcomes

Although Pandox currently has no formal or time-bound targets for measuring the effects of measures linked to cybersecurity, the goal is to achieve zero incidents during the year. The focus is on proactive and continuous efforts to strengthen security.

Cybersecurity-related incidents are reported via Pandox's external channels. Outcomes are followed up internally as part of ongoing risk management and improvement efforts. This strategy is judged to be more effective in ensuring robust protection against digital threats.

DATA SECURITY BREACHES

Target: 0 | Outcome 2025: 10



DATA SECURITY AND CUSTOMER PRIVACY

	2025	2024
Total number of data security breaches, such as stolen customer data	9	8
Total number of complaints received regarding violation of customer privacy	1	0
– percentage of total complaints received from external parties	10%	0
– percentage of total complaints received from authorities	0	0

Comments on the table

During the year there were 10 incidents relating to hijacked user accounts, hacking into third-party systems and a few cases of inappropriate sharing of information. The incidents were investigated by data security experts and the local data protection officer to prevent future attacks. One of the 10 incidents was received by an external party. Three incidents required notification to an authority (ICO in the UK and Datatilsynet in Norway), while the rest were able to be dealt with internally without involving the authorities. None of the authorities have required Pandox to take further action beyond what has already been done.

GENERAL INFORMATION

95 ESRS 2 General disclosures

ENVIRONMENTAL INFORMATION

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107 ESRS E1 – Climate change
116 ESRS E2 – Pollution
117 ESRS E3 – Water and marine resources
119 ESRS E5 – Resource use and circular economy
121 Reporting according to the EU Taxonomy

SOCIAL INFORMATION

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125 ESRS S1 – Own workforce
132 ESRS S2 – Workers in the value chain
134 ESRS S3 – Affected communities
135 ESRS S4 – Consumers and end-users

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ESRS APPENDIX

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Content index for disclosure requirements under ESRS

IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

List of material disclosure requirements	Page number	Comments	EPRA reference
ESRS 2 – General disclosures			
BP-1 General basis for preparation of sustainability statements	95		
BP-2 Disclosures in relation to specific circumstances	95		
GOV-1 The role of the administrative, management and supervisory bodies	95, 97, 128		Gov-Board, Gov-COI
GOV-2 Information provided to and sustainability matters addressed by the undertaking's administrative, management and supervisory bodies	97		
GOV-3 Integration of sustainability-related performance in incentive schemes	95		
GOV-4 Statement on due diligence	98		
GOV-5 Risk management and internal controls over sustainability reporting	96		
SBM-1 Strategy, business model and value chain	98		
SBM-2 Interests and views of stakeholders	100		
SBM-3 Material impacts, risks and opportunities and their interaction with strategy and business model	101–105		
IRO-1 Description of the processes to identify and assess material impacts, risks and opportunities	100–101		
IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement	100–101		
E1 Climate change			
ESRS 2 GOV-3-E1 Integration of sustainability-related performance in incentive schemes	95		
E1-1 Transition plan for climate change mitigation	107–108		
ESRS 2 SBM-3-E1 Material impacts, risks and opportunities and their interaction with strategy and business model	101–105, 107		
ESRS 2 IRO-1-E1 Description of the processes to identify and assess material climate-related impacts, risks and opportunities	100–101		
E1-2 Policies related to climate change mitigation and adaptation	107		
E1-3 Actions and resources in relation to climate change policies	107–108		
E1-4 Targets related to climate change mitigation and adaptation	109		
E1-5 Energy consumption and mix	111–112		Elec-Abs, Elec-LfL, DH&C-Abs, DH&C LfL, Fuels-Abs, Fuels-LfL, Energy-Int
E1-6 Gross Scopes 1, 2, 3 and Total GHG emissions	110		GHG-Dir-Abs, GHG-Indir-Abs, GHG-Int
E1-9 Anticipated financial effects from material physical and transition risks and potential climate-related opportunities	N/A	Not reported in 2025 due to phase-in reliefs	

List of material disclosure requirements	Page number	Comments	EPRA reference
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ESRS 2 IRO-1-E2 Description of the processes to identify and assess material pollution-related impacts, risks and opportunities	100–101		
E2-1 Policies related to pollution	116		
E2-2 Actions and resources related to pollution	116		
E2-3 Targets related to pollution	116		
E2-5 Substances of concern and substances of very high concern	116		
E2-6 Anticipated financial effects from pollution-related impacts, risks and opportunities	N/A	Not reported in 2025 due to phase-in reliefs	
E3 Water resources			
ESRS 2 SBM-3-E3 Material impacts, risks and opportunities and their interaction with strategy and business model	101–105, 117		
ESRS 2 IRO-1-E3 Description of the processes to identify and assess material water resources-related impacts, risks and opportunities	100–101		
E3-1 Policies related to water resources	117		
E3-2 Actions and resources related to water resources	117		
E3-3 Targets related to water and marine resources	117		
E3-4 Water consumption	118		Water-Abs, Water-LfL, Water-Int
E3-5 Anticipated financial effects from water and marine resources-related impacts, risks and opportunities	N/A	Not reported in 2025 due to phase-in reliefs	
E5 Resource use and circular economy			
ESRS 2 SBM-3-E5 Material impacts, risks and opportunities and their interaction with strategy and business model	101–105, 119		
ESRS 2 IRO-1-E5 Description of the processes to identify and assess material resource use and circular economy-related impacts, risks and opportunities	100–101		
E5-1 Policies related to resource use and circular economy	119		
E5-2 Actions and resources related to resource use and circular economy	119–120		
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E5-4 Resource inflows	120		

▶▶ Content index for disclosure requirements under ESRS, cont.

List of material disclosure requirements	Page number	Comments	EPRA reference
E5 Resource use and circular economy, cont.			
E5-5 Resource outflows (waste)	120		Waste-Abs, Waste-LfL
E5-6 Anticipated financial effects from resource use and circular economy-related impacts, risks and opportunities	N/A	Not reported in 2025 due to phase-in reliefs	
S1 Own workforce			
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ESRS 2 SBM-3-S1 – Material impacts, risks and opportunities and their interaction with strategy and business model	101–105, 125		
S1-1 Policies related to own workforce	125–126		
S1-2 Processes for engaging with own workforce and workers' representatives about impacts	126		
S1-3 Processes to remediate negative impacts and channels for own workforce to raise concerns	126		
S1-4 Taking action on material impacts on own workforce, and approaches to mitigating material risks and pursuing material opportunities related to own workforce, and effectiveness of those actions	126–127		
S1-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	127–128		
S1-6 Characteristics of the undertaking's employees	128–129		Emp-Turnover
S1-7 Characteristics of non-employees in the undertaking's own workforce	128		
S1-8 Collective bargaining coverage and social dialogue	128, 130		
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S1-10 Adequate wages	128		
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S1-13 Training and skills development metrics	131		Emp-Training, Emp-Dev
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S1-15 Work-life balance metrics	128		
S1-16 Remuneration metrics (pay gap and total remuneration)	128		Diversity-Pay
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S2 Workers in the value chain			
ESRS 2 SBM-2-S2 Interests and views of stakeholders	100		
ESRS 2 SBM-3-S2 Material impacts, risks and opportunities and their interaction with strategy and business model	101–105, 132		
S2-1 Policies related to value chain workers	132		
S2-2 Processes for engaging with value chain workers about impacts	132–133		
S2-3 Processes to remediate negative impacts and channels for value chain workers to raise concerns	133		

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S2-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	133		
S3 Affected communities			
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ESRS 2 SBM-3-S3 – Material impacts, risks and opportunities and their interaction with strategy and business model	101–105, 134		
S3-1 Policies related to affected communities	134		
S3-2 Processes for engaging with affected communities about impacts	134		
S3-3 Processes to remediate negative impacts and channels for affected communities to raise concerns	134		
S3-4 Taking action on material impacts on affected communities, and approaches to mitigating material risks and pursuing material opportunities related to affected communities, and effectiveness of those actions	134		
S3-5 Targets related to managing material negative impacts, advancing positive impacts, and managing material risks and opportunities	134		
S4 Consumers and end-users			
ESRS 2 SBM-2-S4 – Interests and views of stakeholders	100		
ESRS 2 SBM-3-S4 – Material impacts, risks and opportunities and their interaction with strategy and business model	101–105, 135		
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S4-4 Taking action on material impacts on consumers and end-users, and approaches to managing material risks and pursuing material opportunities related to consumers and end-users, and effectiveness of those actions	135–136		
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▶▶ Content index for disclosure requirements under ESRS, cont.

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G1-1 Business conduct policies and corporate culture	138–139		
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G1-3 Prevention and detection of corruption and bribery	139–140		
G1-4 Incidents of corruption or bribery	140		
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IRO-2 – Disclosure Requirements in ESRS covered by the undertaking's sustainability statement

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / Not material	Page number
ESRS 2 GOV-1 Board's gender diversity, paragraph 21 (d)	Indicator number 13 of Table #1 of Annex I		Commission Delegated Regulation (EU) 2020/1816, Annex II		Material	97
ESRS GOV-1 Percentage of board members who are independent, paragraph 21 (e)			Delegated Regulation (EU) 2020/1816, Annex II		Material	97
ESRS 2 GOV-4 Statement on due diligence, paragraph 30	Indicator number 10 Table #3 of Annex I				Material	98
ESRS 2 SBM-1 Involvement in activities related to fossil fuel activities, paragraph 40 (d) i	Indicators number 4 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Table 1: Qualitative information on Environmental risk and Table 2: Qualitative information on Social risk	Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to chemical production paragraph 40 (d) ii	Indicator number 9 Table #2 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to controversial weapons, paragraph 40 (d) iii	Indicator number 14 Table #1 of Annex I		Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS 2 SBM-1 Involvement in activities related to cultivation and production of tobacco paragraph 40 (d) iv			Delegated Regulation (EU) 2020/1818, Article 12(1), Delegated Regulation (EU) 2020/1816, Annex II		Not material	
ESRS E1-1 Transition plan to reach climate neutrality by 2050, paragraph 14				Regulation (EU) 2021/1119, Article 2(1)	Material	107–108
ESRS E1-1 Undertakings excluded from Paris-aligned Benchmarks, paragraph 16 (g)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Banking book – Climate Change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article12.1 (d) to (g), and Article 12.2		Not material	
ESRS E1-4 GHG emission reduction targets, paragraph 34	Indicator number 4 Table #2 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate Change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 6		Material	109
ESRS E1-5 Energy consumption from fossil sources disaggregated by sources (only high climate impact sectors), paragraph 38	Indicator number 5 Table #1 and indicator number 5 Table #2 of Annex I				Material	111–112
ESRS E1-5 Energy consumption and mix, paragraph 37	Indicator number 5 Table #1 of Annex I				Material	111–112
ESRS E1-5 Energy intensity associated with activities in high climate impact sectors, paragraphs 40 to 43	Indicator number 6 Table #1 of Annex I				Material	111–112
ESRS E1-6 Gross Scope 1, 2, 3 and Total GHG emissions, paragraph 44	Indicators number 1 and 2 Table #1 of Annex I	Article 449a; Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 1: Non-trading book positions – Climate change transition risk: Credit quality of exposures by sector, emissions and residual maturity	Delegated Regulation (EU) 2020/1818, Article 5(1), 6 and 8(1)		Material	110
ESRS E1-6 Gross GHG emissions intensity, paragraphs 53 to 55	Indicators number 3 Table #1 of Annex I	Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 Template 3: Banking book – Climate Change transition risk: alignment metrics	Delegated Regulation (EU) 2020/1818, Article 8(1)		Material	110

►► List of datapoints that derive from other EU legislation, cont.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / Not material	Page number
ESRS E1-7 GHG removals and carbon credits, paragraph 56				Regulation (EU) 2021/1119, Article 2(1)	Not material	
ESRS E1-9 Exposure of the benchmark portfolio to climate-related physical risks, paragraph 66			Delegated Regulation (EU) 2020/1818, Annex II Delegated Regulation (EU) 2020/1816, Annex II		Not reported in 2024 due to phase-in reliefs	
ESRS E1-9 Disaggregation of monetary amounts by acute and chronic physical risk, paragraph 66 (a) ESRS E1-9 Location of significant assets at material physical risk, paragraph 66 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453, paragraphs 46 and 47; Template 5: Non-trading book positions – Climate change physical risk: Exposures subject to physical risk.			Not reported in 2024 due to phase-in reliefs	
ESRS E1-9 Breakdown of the carrying value of its real estate assets by energy-efficiency classes, paragraph 67 (c)		Article 449a Regulation (EU) No 575/2013; Commission Implementing Regulation (EU) 2022/2453 paragraph 34; Template 2: Non-trading book positions – Climate change transition risk: Loans collateralised by immovable property – Energy efficiency of the collateral			Not reported in 2024 due to phase-in reliefs	
ESRS E1-9 Degree of exposure of the portfolio to climate-related opportunities, paragraph 69			Delegated Regulation (EU) 2020/1818, Annex II		Not reported in 2024 due to phase-in reliefs	
ESRS E2-4 Amount of each pollutant listed in Annex II of the E-PRTR Regulation (European Pollutant Release and Transfer Register) emitted to air, water and soil, paragraph 28	Indicator number 8 Table #1 of Annex I Indicator number 2 Table #2 of Annex I Indicator number 1 Table #2 of Annex I Indicator number 3 Table #2 of Annex I				Not material	
ESRS E3-1 Water and marine resources, paragraph 9	Indicator number 7 Table #2 of Annex I				Material	117
ESRS E3-1 Dedicated policy, paragraph 13	Indicator number 8 Table #2 of Annex I				Not material	
ESRS E3-1 Sustainable oceans and seas, paragraph 14	Indicator number 12 Table #2 of Annex I				Not material	
ESRS E3-4 Total water recycled and reused, paragraph 28 (c)	Indicator number 6.2 Table #2 of Annex I				Not material	
ESRS E3-4 Total water consumption in m^3 per net revenue on own operations, paragraph 29	Indicator number 6.1 Table #2 of Annex I				Not material	
ESRS 2 – SBM-3 – E4 paragraph 16 (a) i	Indicator number 7 Table #1 of Annex I				Not material	
ESRS 2 – SBM-3 – E4 paragraph 16 (b)	Indicator number 10 Table #2 of Annex I				Not material	
ESRS 2 – SBM-3 – E4 paragraph 16 (c)	Indicator number 14 Table #2 of Annex I				Not material	
ESRS E4-2 Sustainable land/agriculture practices or policies, paragraph 24 (b)	Indicator number 11 Table #2 of Annex I				Not material	
ESRS E4-2 Sustainable oceans/seas practices or policies, paragraph 24 (c)	Indicator number 12 Table #2 of Annex I				Not material	
ESRS E4-2 Policies to address deforestation, paragraph 24 (d)	Indicator number 15 Table #2 of Annex I				Not material	
ESRS E5-5 Non-recycled waste, paragraph 37 (d)	Indicator number 13 Table #2 of Annex I				Material	120
ESRS E5-5 Hazardous waste and radioactive waste, paragraph 39	Indicator number 9 Table #1 of Annex I				Material	120
ESRS 2 – SBM-3 – S1 Risk of incidents of forced labour, paragraph 14 (f)	Indicator number 13 Table #3 of Annex I				Not material	
ESRS 2 – SBM-3 – S1 Risk of incidents of child labour, paragraph 14 (g)	Indicator number 12 Table #3 of Annex I				Not material	
ESRS S1-1 Human rights policy commitments, paragraph 20	Indicator number 9 Table #3 and indicator number 11 Table #1 of Annex I				Material	125

►► List of datapoints that derive from other EU legislation, cont.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / Not material	Page number
ESRS S1-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 21			Delegated Regulation (EU) 2020/1816, Annex II		Material	125
ESRS S1-1 processes and measures for preventing trafficking in human beings, paragraph 22	Indicator number 11 Table #3 of Annex I				Material	125
ESRS S1-1 Workplace accident prevention policy or management system, paragraph 23	Indicator number 1 Table #3 of Annex I				Material	125–126
ESRS S1-3 Grievance/complaints handling mechanisms related to employee matters, paragraph 32 (c)	Indicator number 5 Table #3 of Annex I				Material	126
ESRS S1-14 Number of fatalities and number and rate of work-related accidents, paragraph 88 (b) and (c)	Indicator number 2 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	128, 131
ESRS S1-14 Number of days lost to injuries, accidents, fatalities or illness, paragraph 88 (e)	Indicator number 3 Table #3 of Annex I				Material	128, 131
ESRS S1-16 Unadjusted gender pay gap, paragraph 97 (a)	Indicator number 12 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	128
ESRS S1-16 Annual total remuneration ratio of the highest paid individual to the median annual total remuneration for all employees, paragraph 97 (b)	Indicator number 8 Table #3 of Annex I				Material	128
ESRS S1-17 Incidents of discrimination, paragraph 103 (a)	Indicator number 7 Table #3 of Annex I				Material	128
ESRS S1-17 Non-respect of UNGPs on Business and Human Rights and OECD Guidelines, paragraph 104 (a)	Indicator number 10 Table #1 and indicator number 14 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Material	128
ESRS 2 – SBM-3 – S2 Significant risk of child labour or forced labour in the value chain, paragraph 11 (b)	Indicators number 12 and number 13 Table #3 of Annex I				Material	132
ESRS S2-1 Human rights policy commitments, paragraph 17	Indicator number 9 Table #3 and indicator number 11 Table #1 of Annex I				Material	132
ESRS S2-1 Policies related to value chain workers, paragraph 18	Indicator number 11 and number 4 Table #3 of Annex I				Material	132
ESRS S2-1 Non-respect of UNGPs on Business and Human Rights principles and OECD guidelines, paragraph 19	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Material	132
ESRS S2-1 Due diligence policies on issues addressed by the fundamental International Labor Organization Conventions 1 to 8, paragraph 19			Delegated Regulation (EU) 2020/1816, Annex II		Material	132
ESRS S2-4 Human rights issues and incidents connected to its upstream and downstream value chain, paragraph 36	Indicator number 14 Table #3 of Annex I				Material	132
ESRS S3-1 Human rights policy commitments, paragraph 16	Indicator number 9 Table #3 of Annex I and indicator number 11 Table #1 of Annex I				Material	
ESRS S3-1 Non-respect of UNGPs on Business and Human Rights, ILO principles or OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Material	134
ESRS S3-4 Human rights issues and incidents, paragraph 36	Indicator number 14 Table #3 of Annex I				Material	134
ESRS S4-1 Policies related to consumers and end-users, paragraph 16	Indicator number 9 Table #3 and indicator number 11 Table #1 of Annex I				Material	135

►► List of datapoints that derive from other EU legislation, cont.

Disclosure requirement and related datapoint	SFDR reference	Pillar 3 reference	Benchmark Regulation reference	EU Climate Law reference	Material / Not material	Page number
ESRS S4-1 Non-respect of UNGPs on Business and Human Rights and OECD guidelines, paragraph 17	Indicator number 10 Table #1 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II Delegated Regulation (EU) 2020/1818, Article 12(1)		Material	135
ESRS S4-4 Human rights issues and incidents, paragraph 35	Indicator number 14 Table #3 of Annex I				Material	135–136
ESRS G1-1 United Nations Convention against Corruption, paragraph 10 (b)	Indicator number 15 Table #3 of Annex I				Material	138–139
ESRS G1-1 Protection of whistle-blowers, paragraph 10 (d)	Indicator number 6 Table #3 of Annex I				Material	138–139
ESRS G1-4 Fines for violation of anti-corruption and anti-bribery laws, paragraph 24 (a)	Indicator number 17 Table #3 of Annex I		Delegated Regulation (EU) 2020/1816, Annex II		Material	140
ESRS G1-4 Standards of anti-corruption and anti-bribery, paragraph 24 (b)	Indicator number 16 Table #3 of Annex I				Material	140

TCFD Index

Pandox is reporting according to TCFD (Task Force on Climate-related Financial Disclosures) for the fifth year. The purpose of this index is to make it easier for the reader to find the information included in TCFD reporting.

GOVERNANCE	STRATEGY	RISK MANAGEMENT	METRICS AND TARGETS
Recommended disclosures	**Recommended disclosures**	**Recommended disclosures**	**Recommended disclosures**
A. Describe the board's oversight of climate-related risks and opportunities. See page 97	A. Describe the climate-related risks and opportunities the organisation has identified. See pages 113–115	A. Describe the organisation's processes for identifying and assessing climate-related risks. See pages 101–105	A. Disclose the metrics used by the organisation to assess climate-related risks and opportunities. See pages 113–115
B. Describe management's role in assessing and managing climate-related risks and opportunities. See page 97	B. Describe the impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning. See pages 113–115	B. Describe the organisation's processes for managing climate-related risks. See pages 107–108	B. Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse gas (GHG) emissions according to the Greenhouse Gas Protocol. See page 110
	C. Describe the resilience of the organisation's strategy, taking into consideration different climate-related scenarios. See pages 107–108	C. Describe how processes for identifying, assessing, and managing climate-related risks are integrated into the organisation's overall risk management. See pages 107–108	C. Describe the targets used by the organisation to manage climate-related risks and opportunities and performance against targets. See pages 109–110

Reporting according to the EU Taxonomy

PROPORTION OF TURNOVER FROM PRODUCTS OR SERVICES ASSOCIATED WITH TAXONOMY-ELIGIBLE OR TAXONOMY-ALIGNED ECONOMIC ACTIVITIES – DISCLOSURE COVERING 2025 (ACTIVITY BREAKDOWN)

TURNOVER

2025					Substantial contribution criteria								
Economic activities (1)	Code (2)	Turnover (proportion of taxonomy-eligible turnover) (3)	Taxonomy-aligned turnover (4)	Proportion of taxonomy-aligned turnover (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)	Category: enabling activity (12)	Category: transitional activity (13)	Proportion of taxonomy-aligned in taxonomy-eligible (14)
		%	MSEK	%	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	E	T	%
Acquisition and ownership of buildings	CCM 7.7	52.7%	502.6	6.7%	6.7%	–	–	–	–	–	–	–	12.8%
Hotels, holiday, camping grounds and similar accommodation	BIO 2.1	45.0%	0.0	0.0%	–	–	–	–	–	0.0%	–	–	0.0%
Total taxonomy-aligned activities per objective					6.7%	–	–	–	–	–			
Total KPI (Turnover)		97.7%	502.6	6.7%	6.7%	–	–	–	–	–	–	–	6.9%

TURNOVER REPORTING PRINCIPLES

Environmentally sustainable activities (taxonomy-aligned):
CCM 7.7 Rental income within Leases for properties with the lowest energy rating EPC B with an approved climate risk assessment.

Taxonomy-eligible activities:
CCM 7.7 Rental income within Leases for all other properties.
BIO 2.1 Hotels, holiday, camping grounds and similar accommodation: All revenue for Own Operations.

Turnover of taxonomy-non-eligible activities (B):
Revenue that meets the taxonomy's definition of revenue but that is not applicable, for example re-invoicing.
Total (A + B) represents the Group's net sales.

PROPORTION OF PANDOX'S CAPITAL EXPENDITURE (CAPEX) THAT IS TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED

CAPITAL EXPENDITURE (CAPEX)

2025					Substantial contribution criteria								
Economic activities (1)	Code (2)	Cap-Ex (proportion of taxonomy-eligible CapEx) (3)	Taxonomy-aligned CapEx (4)	Proportion of taxonomy-aligned CapEx (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)	Category: enabling activity (12)	Category: transitional activity (13)	Proportion of taxonomy-aligned in taxonomy-eligible (14)
		%	MSEK	%	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	E	T	%
Acquisition and ownership of buildings: Leases and Own Operations	CCM 7.7	98.6%	12,177	59.3%	59.3%	–	–	–	–	–	–	–	60.1%
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	1.1%	9	0.0%	0.0%	–	–	–	–	–	E	–	3.9%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings: Leases and Own Operations	CCM 7.5	0.2%	44	0.2%	0.0%	–	–	–	–	–	E	–	100.0%
Installation, maintenance and repair of renewable technologies: Leases and Own Operations	CCM 7.6	0.0%	10	0.0%	0.0%	–	–	–	–	–	E	–	100.0%
Total taxonomy-aligned activities per objective					59.6%	–	–	–	–	–			
Total KPI (CapEx)		100.0%	12,240	59.6%	59.6%	–	–	–	–	–	0.3%	0.0%	59.6%

CAPEX REPORTING PRINCIPLES
Environmentally sustainable activities (taxonomy-aligned)
Policy decision:
For CapEx we view investment properties and operating properties in the same way within our internal value chain where these are also managed in the same way.

Own Operations/Leases
Pandox's policy is to test CapEx based on the capital expenditure itself, not based on which economic activity the turnover associated with the property relates to.
Pandox assesses that all capital expenditures for properties (all properties moreover being managed in the same way) are eligible according to the description in CCM 7.7 (acquisition and ownership of buildings) but that the operating properties then go on in the internal value chain to be used for hotel operations.
All capital expenditures for operating properties, which are within Pandox's internal value chain, that comply with the alignment criteria set out in CCM 7.7 (see above) are reported as taxonomy-aligned. In addition, there are individual capital expenditures for properties (in the same way as described for Leases above) that are not in themselves taxonomy-aligned but where the capital expenditure itself is aligned.

CCM 7.7 Taxonomy-aligned column:
Properties acquired during the year that have an energy rating of EPC B amount to MSEK 12,177 and essentially relate to the Dalata acquisition. Included in Note E2 on the line for acquisitions in the table that shows the opening and closing balance for investment properties

CCM 7.3, 7.5. 7.6 Taxonomy-aligned column:
A total of MSEK 63 is for investments in the existing portfolio in green properties. The amount is included in the line "Investments in existing portfolio" in the opening and closing balance table under E2 and E3.

PROPORTION OF PANDOX'S OPERATING EXPENDITURES THAT IS TAXONOMY-ELIGIBLE AND TAXONOMY-ALIGNED

OPERATING EXPENDITURES (OPEX)

2025					Substantial contribution criteria								
Economic activities (1)	Code (2)	OpEx (proportion of taxonomy-eligible OpEx) (3)	Taxonomy-aligned OpEx (4)	Proportion of taxonomy-aligned OpEx (5)	Climate change mitigation (6)	Climate change adaptation (7)	Water (8)	Circular economy (9)	Pollution (10)	Biodiversity (11)	Category: enabling activity (12)	Category: transitional activity (13)	Proportion of taxonomy-aligned in taxonomy-eligible (14)
		%	MSEK	%	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	Yes/No/ N/EL	E	T	%
Acquisition and ownership of buildings: Leases and Own Operations	CCM 7.7	95.2%	36.1	20.5%	20.5%	-	-	-	-	-	-	-	21.5%
Installation, maintenance and repair of energy-efficient equipment	CCM 7.3	4.8%	0.0	0.0%	0.0%	-	-	-	-	-	E	-	0.0%
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings: Leases and Own Operations	CCM 7.5	0.0%	0.0	0.0%	0.0%	-	-	-	-	-	E	-	0.0%
Total taxonomy-aligned activities per objective					20.5%	-	-	-	-	-			
Total KPI (OpEx)		100.0%	36.1	20.5%	20.5%	-	-	-	-	-	0.0%	-	20.5%

OPEX REPORTING PRINCIPLES

Policy decision:

For OpEx we view investment properties and operating properties in the same way within our internal value chain where these are also managed in the same way.
Consequently, taxonomy alignment is reported for all of Pandox's properties within the CCM framework.
Reported values are for aligned economic activities meeting the technical screening criteria applicable to Pandox's investment properties and operating properties.

CCM: 7.7: Taxonomy aligned:

Refers only to OpEx for properties with an energy rating of EPC B with an approved climate risk assessment, amount MSEK 36.

Reporting principles

E1 Climate change

Frameworks and methodology

Pandox's climate calculations are based on the GHG Protocol and are consolidated according to the principle of operational control. The following GHG emissions are included in the calculations: CO_2, CH_4, N_2O, HFCs, PFCs, SF_6 och NF_3.

Data collection and consolidation

The operations in the various countries report their actual measured data in Pandox's reporting tool or through automated data collection, which is then consolidated to the Group level. To ensure the accuracy of actual data in the value chain, Pandox is working to automate data collection. A system-based solution has been implemented to facilitate data collection directly from energy providers or, where this is not possible, via submeters in the properties. At the end of 2025, 103 properties had automated solutions for energy data collection.

Standard calculations

The standard calculation is based on actual reported energy use data divided by the total floor space (in sq m) for the properties for which data is available. This is then multiplied by the number of sq m for the properties where no measured data is available. Since the standard calculation is based on actual reported energy use data and actual sq m for the properties where data is available, this provides a higher degree of reliability in the estimations for the properties where no measured data is available.

Calculation of emissions

Scope 1 and 2: Based on reported energy use.

Scope 3: Based on both reported data and standard amounts. In order for Pandox to collect environmental and energy data from the tenants, these companies must first give their consent. Certain tenants have competition-related and/or organisational considerations that result in them not yet consenting to sharing data.

Category 1 – for this category transaction data from purchases is used, where each supplier is categorised and assigned an emission factor based on category, sector and country (source: Exiobase 3.9).

Emissions in category 1 that are reported as "of which new construction, remodelling, renovation of properties" in the table are based on the production stage and the building stage (A1–A3, A5) for new construction projects, large remodelling projects and hotel renovations. Standard calculations have been used for the emissions, based on life-cycle analysis completed in 2021 and revisions for one new construction project, one larger remodelling project and two hotel renovation projects.

Category 3 – Relates to transportation/production of energy in Scope 1 and 2.

Category 13 – Energy use downstream in the value chain is reported for tenants who are responsible for operations. 139 out of 140 properties have reported actual measured data for 2025. For properties where there is no measured data, standard calculations have been used for energy use according the standard calculations described in this section.

Emission factors and data sources

Electricity: AIB 2022, IEA, 2023.
Fuels (coal, oil, natural gas, pellets, wood chips, biogas, bio oil, diesel, propane): DEFRA 2024
District heating: DEFRA 2024 (location-based)
Scope 3, category 1: Exiobase 3.9 2019

Emissions per sq m of floor space: New construction projects 306 kg CO_2e/sq m, remodelling projects 134 kg CO_2e/sq m and renovation projects 29 kg CO_2e/sq m. These factors are multiplied by the floor space in projects completed during the year.

Boundaries

The following emission categories are not considered relevant as emissions amount to less than 500 metric tons of CO_2e per year or do not occur in Pandox's value chain; 2. Capital goods, 4. Transport and distribution (upstream), 5. Waste management (upstream), 6. Business travel, 7. Commuting, 8. Leasing (upstream), 9. Transport and distribution (downstream), 10. Treatment of sold products, 11. Use of sold products, 12 Waste management of sold products (downstream), 14. Investments and 15. Franchising.

Biogenic emissions are only reported for Scope 1 as there are no material biogenic emissions in Scope 2 and 3.

Intensity metric

Energy intensity per net revenue: The energy consumption of all properties divided by the total revenue per business segment (Own Operations and Leases).

Emissions intensity: Total emissions for Scope 1, 2 and 3 divided by total revenue for Own Operations and Leases. Net revenue for 2025 is found in the table "Consolidated statement of comprehensive income".

Energy and emissions intensity per square metre follows the same principle as above.

Sustainability certifications

Calculated based on the number of properties with a BREEAM and a Green Key certification or other third-party certification at the end of the year.

The Green Module

The index is measured as a percentage of the total number of hotels and on an index scale from one (1) to ten (10). The index is calculated by establishing the percentage of hotels that meet the defined sustainability criteria and then assigning a value on a scale of 1–10 based on performance in relation to targets. The index only covers hotels operated within the Own Operations segment that have been in operation for at least six months. Hotels can be exempt from reporting this metric if, for contractual reasons, Pandox is not able to require the hotel to implement PMI Go Green or a similar system required for monitoring. In such cases the hotel is considered not eligible for inclusion in the reporting of this outcome. The outcome is mainly impacted by energy use, which accounts for 23 percent of the total result. Other categories contribute to the remaining portion.

Principle for revision of base year (SBTi) – like-for-like scope metric tons CO_2e

This principle describes how Pandox reviews the base year for SBTi to ensure that the emission reduction targets remain relevant and correct. This review meets the SBTi requirement for base years and targets to be reviewed at least once every five years and in connection with significant changes to the portfolio.

Pandox reviews the base year for SBTi to ensure that the emissions targets remain relevant and correct. In addition to the checks performed every five years, a review is carried out when there are significant changes in the property portfolio, defined as a change of more than 5 percent based on square metres.

Scope 1 and 2 as well as Scope 3 have separate targets and are each calculated separately based on the Own Operations and Leases business segments. The review shows the current portfolio with past emission factors and emission data.

Examples: One hotel that was acquired in 2025 is included retroactively in the 2022 base year, while one hotel that was divested in 2025 is excluded from the base year. To show changes over time, calculations are also made for the years in between.

This is done using a calculation document produced by the Swedish Environmental Research Institute (IVL) specifically for Pandox. When historical data is available for a new hotel it is used as a basis for adjustment of emissions. If there is no such data, a calculation is made of average emissions per sq m for each country based on other properties in the portfolio. The document also covers switching of hotels between business segments.

Any inaccuracies identified in the underlying data can be corrected and documented, such as corrections of emission factors not used correctly. This ensures that the calculations are transparent and traceable over time.

This review meets the SBTi requirement for base years and targets to be reviewed at least once every five years and in connection with significant changes to the portfolio.

E2 Pollution

On a monthly basis the Sustainability Manager for the Own Operations segment collects types and quantities (in kilograms) of refrigerant gas replenished per hotel, with the associated service certificates.

E3 Water and marine resources

Own Operations

For properties in the Own Operations segment, water consumption data is based on measurements taken directly from installed meters, most of which are from Smartvattenmätare. If no measured data is available, standard calculations are used according to the principles presented in this section.

Leases

For properties in the Leases segment, water consumption is based on measured data reported by tenants, some of which comes from Smartvattenmätare. During the year data was collected from 120 (120) of a total of 140 (135) properties. Standard calculations are used for the properties with no measured data.

Standard calculations

Calculated based on the number of square metres in the property multiplied by average water intensity (cubic metres of water/sq m) from properties with available measured data. The calculation is based on actual data from Pandox's properties, which gives the estimate a higher degree of accuracy.

Water intensity

The metric of litres per guest night is calculated based on the hotels that have reported both water consumption and number of guest nights. Hotels with incomplete data are excluded from the calculation. In 2025, 95 (87) hotels reported both parameters in the Leases segment and all hotels reported both within Own Operations.

Data quality and automation

Pandox is working to constantly improve data quality. A system-based tool is being implemented in which much of the water consumption data is expected to be obtained via Smartvattenmätare, enabling automatic collection of water consumption data directly from meters at the hotels.

Water-stressed areas

The water stress indicators from the World Resources Institute (WRI) are expressed as percentages and are calculated by dividing the total water withdrawals by the available surface water and groundwater. The higher the figure, the greater the competition for water. The table shows water consumption for hotels in areas with extremely high water stress => 80 percent. Pandox has used WRI Aqueduct tool – Water Risk Atlas as the source to determine which hotels are in water-stressed areas.

E5 Circular economy

Material inflows

Standard calculations are used for materials inflows for renovation projects. The calculation is based on a standard amount expressed in kilograms of material per square meter (kg/sq m), multiplied by the number of renovated square metres. The standard amount was established based on a past project where actual material purchases in kilograms were documented.

Waste

The data for waste generated in 2025 is for 23 (18) of the 23 (20) hotels in the Own Operations segment with a like-for-like outcome. The possibility of collecting accurate waste data depends on local conditions and on how waste contractors sort, measure and charge for the waste. The granularity may therefore vary between hotels, and there is some uncertainty in the data. Pandox works actively with the hotels in the Own Operations segment to create reliable data through quality assurance, and through more stringent traceability and analysis requirements. Efforts also include dialogue with waste contractors on obtaining more detailed data.

S1 Own workforce

Social sustainability data includes all individuals employed by Pandox. This therefore includes employees in Own Operations, property management and at the head office. The majority of the total number of employees work within Own Operations, since they are hotel staff.

All employee data is reported as number of employees (headcounts) as of 31 December. Employees refers to people who, according to national law or practice, are considered to be in an employment relationship with the organisation. Non-employees refers to individuals who supply labour on a regular basis to or under contracts with the organisation, but who are not classed as employees according to national law. This may include subconsultants, interns, consultants, apprentices and self-employed people who work under the supervision of the organisation and within its business. Note that the results differ from the employee data reported in Note C7, which is for the average number of employees based on hours worked.

The eNPS (Employer Net Promoter Score) calculation is based on the percentage of promoters minus the percentage of detractors. Neutral responses are not included in the calculation.

S1-6

New employees and employee turnover by gender and age group

Pandox is reporting employee numbers (headcounts) as of 31 December 2025. New employees and employee turnover are reported as a percentage and state the number divided by the total number of employees in the respective category. Employee turnover is the number of employees who left the organisation voluntarily, were laid off or took retirement. This ratio includes both permanent and temporary employees divided by the total number of employees as of 31 December. The percentage for employee turnover is the number of employees who left the organisation voluntarily or were laid off, retired or died in service (including both permanent and temporary employees) divided by the total number of employees as of 31 December.

S1-7

The number of non-employee workers (31 December 2023) in Pandox's own workforce is reported via Pandox's reporting and consolidation system from each hotel as well as the head office.

S1-13

Percentage of employees who have had a performance and career development review is the same as the number of individuals in the group in question who have had a performance and career development review during the year, divided by the total number of employees in the group as of 31 December of the year in question. The expected number of performance and career development reviews per employee is one.

S1-14

The rate of accidents and fatalities is defined as the number of work-related accidents or fatalities respectively divided by the total number of hours worked, multiplied by 1,000,000 hours worked. The number of absence days is calculated based on the total number of hours of sickness absence, where one work day is eight hours. The calculation method was changed in 2025 and, as a result, the outcome for the year deviates from past reporting.

S1-16

Pandox calculates a total pay gap and remuneration ratio based on employees at the head office, in hotel operations in the Own Operations segment and in property management. The pay gap calculation is based on normalised annual salaries for full-time employees to create more comparable data. Employment less than full-time is therefore not taken into account. The remuneration ratio is calculated using the same definition but includes long- and short-term variable remuneration. The metrics are produced and monitored internally and efforts are under way to further refine the data going forward.

Normalised annual salary means basic pay that includes estimated variable remuneration. Data for additional items will be updated going forward.

G1 Business conduct

Completion rate of training in Pandox's Code of Conduct

Calculated as the percentage of employees who have completed the training within a three-year period in relation to the total number of employees within the Group as of 31 December.

Supplier audits

The number of suppliers with a risk profile refers to the suppliers who have been used over a rolling 12-month period (September – August) and who have been categorised and registered in the supplier audit system for assessment. These suppliers are assigned a risk profile: green, yellow or red. Green and yellow are approved risk profiles. The number of suppliers with a red risk profile is reported based on a final assessment. According to the procedure, suppliers with a red risk profile must go through an additional audit involving a site visit or be banned from being used in the future. This is reported on the lines: "Percentage of red-flagged suppliers given a site visit" and "Percentage of red-flagged suppliers marked as banned".

Sustainability definitions

BREEAM
Building Research Establishment Environmental Assessment Method (BREEAM) is the most widely used environmental certification system for buildings in Europe. The system evaluates and grades the total environmental impact of buildings.

CDP
The Carbon Disclosure Project (CDP) is an independent non-profit organisation with the world's largest collection of data on corporate climate impact. CDP ranks companies from A to D. The data is distributed to investors globally.

UN Sustainable Development Goals
Part of Agenda 2030; consists of 17 Sustainable Development Goals (SDGs) adopted by the UN General Assembly. The purpose is to end extreme poverty, reduce inequality and injustice in the world, promote peace and justice and solve the climate crisis by 2030.

ILO
The International Labour Organization is a UN agency that brings together governments, employers and workers of 187 member states to set labour standards, develop policies and devise programmes promoting decent work for all women and men.

Accident rate
A comparative indicator for the ratio between the number of accidents and the number of hours worked at the company, multiplied by 1,000,000 working hours. It is used to make comparisons between different companies. Fatality rates and the rate of serious accidents are also reported.

Science Based Targets Initiative
The Science Based Targets initiative (SBTi) drives the development of relevant climate action in the private sector by enabling entities to set science-based emissions reduction targets in line with the Paris Agreement.

Sustainalytics
Sustainalytics is a global player in ESG analysis of listed companies, designed to help investors identify and understand key ESG-related risks within companies.

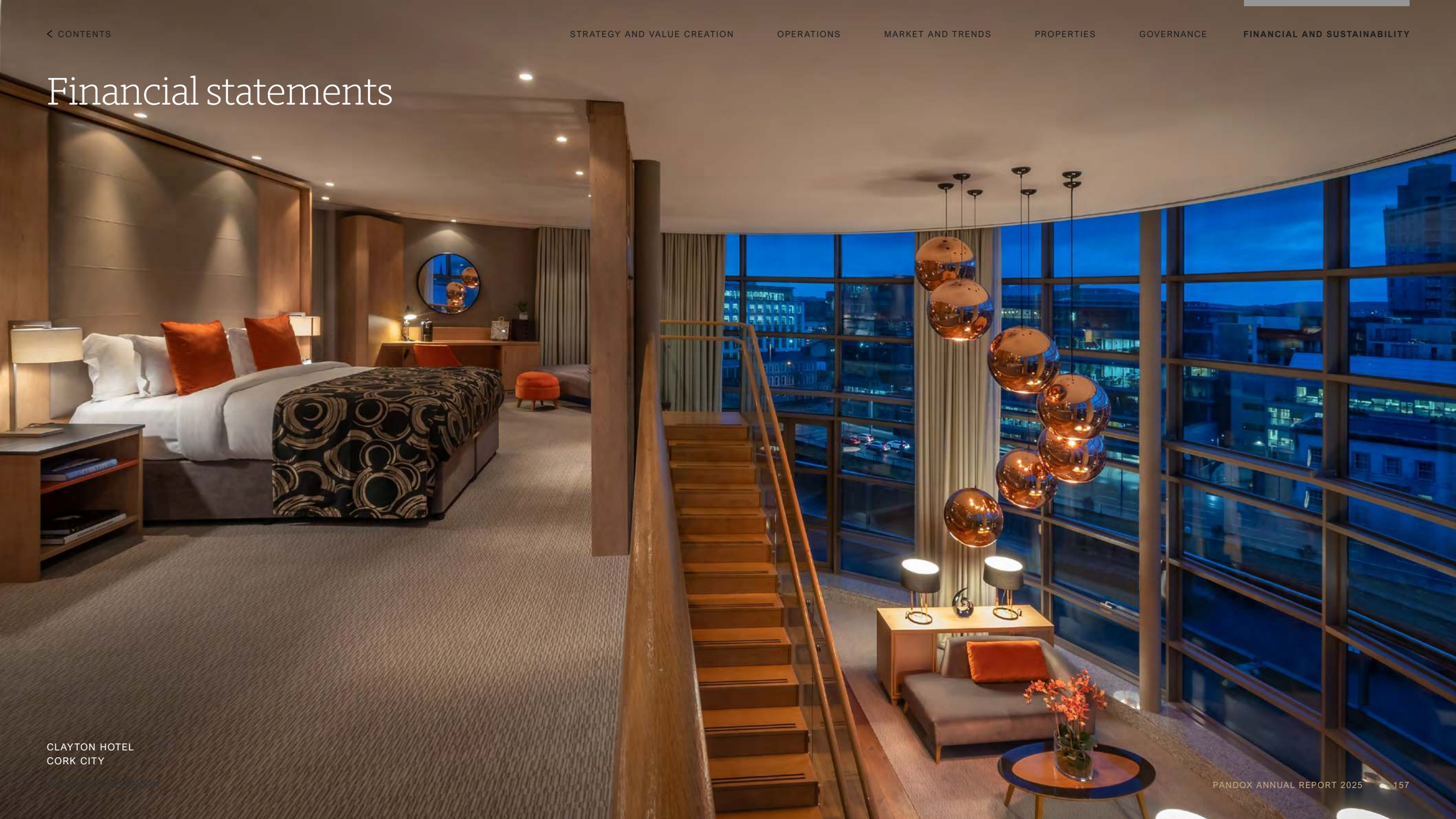
TCFD
TCFD stands for Taskforce on Climate-Related Financial Disclosures and is a framework to identify a company's climate-related risks and opportunities.

UN Global Compact
The UN Global Compact was created in 1999 at the World Economic Forum in Davos. Its purpose was to create international principles around human rights, labour, environment and anti-corruption to be enacted by businesses. The principles are based on the UN Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration and the UN Convention against Corruption.

For clarity, the following terms are interchangeable within this report and merely reflect differences between Pandox's terminology and the wording used in ESRS standards.

Interchangeable terms
- impacts = effects
- sustainability report = sustainability statement
- outcome = metric

Financial statements



CLAYTON HOTEL
CORK CITY

Consolidated income statement

MSEK	Note	2025	2024
Revenue Leases			
Rental income	C1, C2, E1	3,935	3,728
Other property revenue	C1, C2, E1	163	137
Revenue Own Operations	C1	3,371	3,271
Net sales		**7,469**	**7,136**
Costs Leases	C1, C4, C6, C7, G5	–519	–568
Costs Own Operations	C1, C5, C6, C7, G5	–2,728	–2,713
Gross profit		**4,222**	**3,855**
– of which gross profit Leases	*C1*	*3,579*	*3,297*
– of which gross profit Own Operations	*C1*	*643*	*558*
Central administration	C1, C3, C6, C7	–236	–200
Transaction costs	H2	–241	—
Financial income	C1, G1	32	38
Financial expense	C1, G1	–1,668	–1,590
Financial expense for right-of-use assets	G1, G5	–140	–119
Profit before changes in value		**1,969**	**1,984**
Changes in value			
Change in property value	C1, E1	605	475
Realised change in value Dalata	H2	1,598	—
Change in value of derivatives	C1, G2	–326	–100
Profit before tax		**3,846**	**2,359**
Current tax	C1, D1	–343	–318
Deferred tax	C1, D1	–329	–335
Profit for the year – remaining operations		**3,174**	**1,706**
Profit from divested operations		0	—
Profit for the year		**3,174**	**1,706**

Consolidated statement of comprehensive income

MSEK	Note	2025	2024
Items that may not be reclassified to profit or loss, net after tax			
Remeasurement for the year of property, plant and equipment		–57	—
Remeasurement differences on realised gains/losses from foreign operations		—	–31
Items that may be reclassified to profit or loss, net after tax			
Hedging of net investment in foreign operations		86	–160
Translation differences, foreign operations		–2,150	1,226
Other comprehensive income for the year		**–2,121**	**1,035**
Comprehensive income for the year		**1,053**	**2,741**
Profit for the year attributable to owners of the parent		3,139	1,689
Profit for the year attributable to non-controlling interests		34	17
Comprehensive income for the year attributable to owners of the parent		1,028	2,718
Comprehensive income for the year attributable to non-controlling interests		24	23
Per share data	G4		
Weighted average number of shares		194,603,000	186,866,813
Earnings per share after tax, before and after dilution, SEK		16.13	9.04

Consolidated statement of financial position

MSEK	Note	31 Dec 2025	31 Dec 2024
Assets			
Non-current assets			
Operating properties	E2	10,804	12,123
Furniture, fixtures and equipment	E3	667	522
Investment properties	E1	77,170	60,270
Right-of-use assets	G5	3,760	3,156
Deferred tax assets	D1	590	347
Derivatives	G2, G3	791	1,139
Other non-current receivables	E5, G3	91	93
Total non-current assets		**93,873**	**77,650**
Current assets			
Inventories		8	8
Current tax assets	D1	448	266
Trade accounts receivable	E4, G3	383	419
Prepaid expenses and accrued income	E6	642	659
Other receivables		316	380
Cash and cash equivalents		1,186	1,286
Assets held for sale	E7	15,038	20
Total current assets		**18,021**	**3,038**
TOTAL ASSETS		**111,894**	**80,688**

MSEK	Note	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
Equity	G4		
Share capital		487	487
Other paid-in capital		9,470	9,470
Reserves		123	2,234
Profits brought forward including net profit for the year		23,649	21,337
Total equity attributable to the owners of the parent		**33,729**	**33,528**
Non-controlling interests		184	167
Total equity		**33,913**	**33,695**
Liabilities			
Non-current liabilities			
Non-current interest-bearing liabilities	G2, G3	45,503	33,175
Other non-current liabilities		11	20
Non-current lease liabilities	G5	3,744	3,134
Derivatives	G2, G3	161	183
Provisions	F2	57	43
Deferred tax liabilities	D1	8,031	5,776
Total non-current liabilities		**57,507**	**42,331**
Current liabilities			
Provisions	F2	42	12
Current interest-bearing liabilities	G2, G3	3,778	2,359
Current lease liabilities	G5	21	31
Tax liabilities	D1	380	691
Trade accounts payable	G3	327	369
Other current liabilities		224	241
Accrued expenses and deferred income	F1	1,251	959
Debt related to assets held for sale	E7	14,451	—
Total current liabilities		**20,474**	**4,662**
Total liabilities		**77,981**	**46,993**
TOTAL EQUITY AND LIABILITIES		**111,894**	**80,688**

Consolidated statement of changes in equity

	Attributable to owners of the parent							
MSEK	Share capital	Other paid-in capital	Translation reserve	Revaluation reserve [1]	Retained earnings, including profit for the year	Total	Non-controlling interests	Total equity
Equity, opening balance, 1 January 2024	**460**	**7,525**	**979**	**226**	**20,383**	**29,573**	**152**	**29,725**
Profit for the year	—	—	—	—	1,689	**1,689**	17	1,706
Other comprehensive income	—	—	1,029	—	—	**1,029**	6	1,035
Dividend non-controlling interests	—	—	—	—	—	**—**	–8	–8
New share issue [2]	27	1,945	—	—	—	**1,972**	—	1,972
Dividend	—	—	—	—	–735	**–735**	—	–735
Equity, closing balance, 31 December 2024	**487**	**9,470**	**2,008**	**226**	**21,337**	**33,528**	**167**	**33,695**
Equity, opening balance, 1 January 2025	**487**	**9,470**	**2,008**	**226**	**21,337**	**33,528**	**167**	**33,695**
Profit for the year	—	—	—	—	3,139	**3,139**	35	3,174
Other comprehensive income	—	—	–2,054	–57	—	**–2,111**	–10	–2,121
Dividend non-controlling interests	—	—	—	—	—	**—**	–7	–7
Dividend	—	—	—	—	–827	**–827**	—	–827
Equity, closing balance, 31 December 2025	**487**	**9,470**	**–46**	**169**	**23,649**	**33,729**	**184**	**33,913**

[1] The change for the year is net change in the fair value of the hotel property Numa Brussels Royal Galleries (formerly Hotel Hubert) which was reclassified from Own Operations to Leases at an amount of MSEK 94 after tax and Dalata acquisition costs of MSEK –151.

[2] The proceeds of the new share issue are recognised net after deducting transaction costs of MSEK –28.

2024
Number of shares outstanding at year-end 194,603,000
2025
Number of shares outstanding at year-end 194,603,000

The share quota value is SEK 2.50.

Consolidated statement of cash flow

MSEK	Note	2025	2024
OPERATING ACTIVITIES			
Profit before tax		3,846	2,359
Reversal of depreciation		331	287
Change in property value		–605	–474
Result of Dalata acquisition		–1,598	—
Change in value of derivatives		326	100
Other items not included in cash flow	I1	778	–127
Taxes paid		–610	–280
Cash flow from operating activities before changes in working capital		**2,468**	**1,865**
Increase/decrease in operating receivables		–1,074	–43
Increase/decrease in operating liabilities		1,655	4
Changes in working capital		**581**	**–39**
Cash flow from operating activities		**3,049**	**1,826**
INVESTING ACTIVITIES			
Investments in investment properties		–619	–732
Investments in operating properties		–335	–246
Investments in furniture, fixtures and equipment		–133	–46
Divestment of hotel properties, net effect on liquidity	I1	149	680
Acquisition of hotel properties, net effect on liquidity	I1	–15,860	–3,762
Acquisition/divestment of financial assets		–26	–15
Cash flow from investing activities		**–16,824**	**–4,121**
FINANCING ACTIVITIES			
New share issue		—	2,000
Transaction costs		—	–28
New loans		26,127	20,760
Debt repayment		–11,527	–19,283
Dividend non-controlling interests		–16	–17
Paid dividend		–827	–735
Cash flow from financing activities		**13,757**	**2,697**
Cash flow for the year		**–18**	**402**
Cash and cash equivalents at beginning of year		1,286	769
Exchange rate differences in cash and cash equivalents		–82	115
Cash and cash equivalents at year-end		**1,186**	**1,286**
Information on interest paid			
Interest received		30	27
Interest paid		–1,502	–1,492
Financial expense for right-of-use assets		–140	–119

Parent Company income statement

MSEK	Note	2025	2024
Net sales	L1	143	105
Administrative costs	C3, C7	–300	–250
Operating profit		**–157**	**–145**
Profit from participations in Group companies	G1, L1	2	123
Other interest expense and similar profit/loss items	G1, L1	–22	1,064
Derivatives, unrealised		51	121
Profit after financial items		**–126**	**1,163**
Year-end appropriations	J4	855	135
Profit before tax		**729**	**1,298**
Tax on profit for the year	D1	–53	–137
Deferred tax	D1	–11	–22
Profit for the year		**665**	**1,139**
Other comprehensive income for the year		—	—
Comprehensive income for the year		**665**	**1,139**

Parent Company balance sheet

MSEK	Note	31 Dec 2025	31 Dec 2024
ASSETS			
Non-current assets			
Property, plant and equipment			
Equipment	E2	9	9
Total non-current assets		**9**	**9**
Financial non-current assets			
Shares and participations in Group companies	H1	17,336	16,461
Receivables from Group companies	L1	8,953	8,601
Other non-current receivables	E5	31	29
Deferred tax assets	D1	26	38
Total financial non-current assets		**26,346**	**25,129**
Total non-current assets		**26,355**	**25,138**
Current assets			
Other receivables		183	224
Prepaid expenses and accrued income	E6	9	67
Receivables from Group companies	L1	6,890	591
Cash and bank balances		55	352
Total current assets		**7,137**	**1,234**
TOTAL ASSETS		**33,492**	**26,372**

MSEK	Note	31 Dec 2025	31 Dec 2024
EQUITY AND LIABILITIES			
Equity	G4		
Share capital		487	487
Statutory reserve		10	10
Share premium reserve		4,914	4,914
Retained earnings		9,452	9,140
Profit for the year		665	1,139
Total equity		**15,528**	**15,690**
Untaxed reserves		**4**	**3**
Provisions	F2	**85**	**48**
Non-current liabilities			
Non-current interest-bearing liabilities	J2	8,467	3,443
Liabilities, Group companies	L1	3,690	3,458
Derivatives		90	149
Total non-current liabilities		**12,247**	**7,050**
Current liabilities			
Current interest-bearing liabilities	J2	1,152	1,288
Trade accounts payable		15	10
Current tax liabilities		0	334
Liabilities, Group companies	L1	4,380	1,827
Other current liabilities		12	16
Accrued expenses and deferred income	F1	69	106
Total current liabilities		**5,628**	**3,581**
Total liabilities		**17,964**	**10,682**
TOTAL EQUITY AND LIABILITIES		**33,492**	**26,372**

Statement of changes in equity for the Parent Company

	Restricted equity		Non-restricted equity			
MSEK	Share capital	Statutory reserve	Share premium reserve	Retained earnings	Profit for the year	Total equity
Equity, opening balance, 1 January 2024	**460**	**10**	**2,969**	**7,860**	**2,016**	**13,314**
Appropriation of profit	—	—	—	2,016	–2,016	—
Other comprehensive income	—	—	—	—	—	—
Profit for the year	—	—	—	—	1,139	1,139
Dividend	—	—	—	–735	—	–735
New share issue	27	—	1,945	—	—	1,972
Equity, closing balance, 31 December 2024	**487**	**10**	**4,914**	**9,141**	**1,139**	**15,690**
Equity, opening balance, 1 January 2025	**487**	**10**	**4,914**	**9,141**	**1,139**	**15,690**
Appropriation of profit	—	—	—	1,139	–1,139	—
Other comprehensive income	—	—	—	—	—	—
Profit for the year	—	—	—	—	665	665
Dividend	—	—	—	–827	—	–827
New share issue	—	—	—	—	—	—
Equity, closing balance, 31 December 2025	**487**	**10**	**4,914**	**9,453**	**665**	**15,528**

2024
Number of shares outstanding at year-end 194,603,000
2025
Number of shares outstanding at year-end 194,603,000

The share quota value is SEK 2.50.

Statement of cash flow for the Parent Company

MSEK	2025	2024
OPERATING ACTIVITIES		
Profit after financial items	–126	1,163
Reversal of depreciation	2	2
Other items not included in cash flow	–52	–74
Taxes paid	–225	–36
Cash flow from operating activities before changes in working capital	**–401**	**1,055**
Increase/decrease in operating receivables	–63	–181
Increase/decrease in operating liabilities	–3,782	1,951
Changes in working capital	**–3,845**	**1,770**
Cash flow from operating activities	**–4,246**	**2,825**
INVESTING ACTIVITIES		
Changes in shares and participations	–875	–4,246
Investments in equipment	–3	0
Divestment of subsidiaries, net effect on liquidity	—	—
Acquisition of subsidiaries, net effect on liquidity	—	—
Acquisition of financial assets	–1,060	–982
Divestment of financial assets	706	3,210
Cash flow from investing activities	**–1,232**	**–2,018**
FINANCING ACTIVITIES		
New share issue	—	2,000
Transaction costs	—	–28
Group contributions received	957	425
Group contributions provided	–102	–290
New loans	15,574	9,252
Debt repayment	–10,421	–11,082
Paid dividend	–827	–735
Cash flow from financing activities	**5,181**	**–458**
Cash flow for the year	**–297**	**349**
Cash and cash equivalents at beginning of year	352	3
Cash and cash equivalents at year-end	**55**	**352**
Information on interest paid		
Interest received	870	953
Interest paid	–411	–290
Information on cash and cash equivalents at year-end	55	352
Cash and cash equivalents consist of bank balances		

A1 Alternative performance measures

Key figures not defined according to IFRS

A number of the descriptions and analyses in this annual report provide information about the development and status of financial and per share metrics that are not defined in accordance with IFRS (International Financial Reporting Standards). The alternative financial performance measures below provide useful supplementary information to investors and management, as they facilitate evaluation of the Company's performance. Since not all companies calculate performance measures in the same manner, these are not always comparable to measures used by other companies. Hence these financial measures should not be seen as a substitute for measures defined according to IFRS. Unless otherwise stated, the following tables present measures which are not defined according to IFRS, along with a reconciliation of these.

See definitions on page 202.

1

RECONCILIATION ALTERNATIVE PERFORMANCE MEASURES (MSEK)	2025	2024
Net interest-bearing debt		
Non-current interest-bearing liabilities	45,503	33,175
Current interest-bearing liabilities	3,778	2,359
Arrangement fees for loans	247	237
Cash and cash equivalents	–1,186	–1,286
Net interest-bearing debt	**48,342**	**34,485**
Loan-to-value ratio, net %		
Net interest-bearing debt	48,342	34,485
Market value, properties	91,743	76,334
Loan-to-value ratio, %	**52.7**	**45.2**
Interest coverage ratio, times		
EBITDA	4,086	3,961
Less: Financial expense for right-of-use assets	–140	–119
Net interest expense	1,534	1,431
Interest coverage ratio, times	**2.6**	**2.7**
Average interest on debt, %	**3.9**	**4.0**
See Note G2 for a complete reconciliation		
Investments, incl. Parent Company excl. acquisitions	**1,087**	**1,024**

2

RECONCILIATION ALTERNATIVE PERFORMANCE MEASURES (MSEK)	2025	2024
Net operating income Leases		
Rental income	3,935	3,728
Other property revenue	163	137
Expenses, excl. property administration	–305	–299
Net operating income before property administration	**3,793**	**3,566**
Property administration	–214	–269
Net operating income Leases	**3,579**	**3,297**
Net operating income Own Operations		
Revenue Own Operations	3,371	3,271
Costs Own Operations	–2,728	–2,713
Gross profit	**643**	**558**
Add: Depreciation included in costs	328	284
Net operating income Own Operations	**971**	**842**
EBITDA		
Total gross profit from respective business segment	4,222	3,855
Add: Depreciation included in costs Own Operations	328	284
Add: Depreciation included in Central administration	13	22
Less: Central administration, excluding depreciation	–236	–200
Less: Transaction costs	–241	—
EBITDA	**4,086**	**3,961**
Reversal of transaction costs Dalata	241	—
EBITDA excl. Dalata	**4,327**	**3,691**
Cash earnings		
EBITDA	4,086	3,961
Add: Financial income	32	38
Less: Financial expense	–1,668	–1,590
Less: Financial expense for right-of-use assets	–140	–119
Less: Unrealised translation effect bank balances and other unrealised change in value	–26	0
Less: Current tax	–344	–318
Add/Less: Profit for the year attributable to non-controlling interests	–34	–17
Cash earnings attributable to the parent	**1,906**	**1,955**
Reversal of transaction costs Dalata	241	—
Reversal preparatory financial costs Dalata	59	—
Cash earnings excl. Dalata	**2,206**	**1,955**

1 2 See explanations on next page.

Notes

▶▶ Note A1, cont.

CONT. RECONCILIATION ALTERNATIVE PERFORMANCE MEASURES	2025	2024
EPRA NRV		
Group equity attributable to owners of the parent	33,729	33,528
Add: Revaluation of operating properties	2,916	3,408
Add: Fair value of financial derivatives	–630	–956
Less: Deferred tax assets related to derivatives	130	197
Add: Deferred tax liabilities related to properties	8,031	5,776
EPRA NRV	**44,176**	**41,953**
Growth in EPRA NRV, annual rate, %		
EPRA NRV attributable to owners of the parent, opening balance	41,953	36,976
EPRA NRV attributable to owners of the parent, closing balance	44,176	41,952
Dividend added back, current year	827	735
Excluding proceeds from new share issue	—	–1,972
Growth in EPRA NRV, annual rate, %	**7.3%**	**10.1%**
	2025	**2024**
EPRA earnings, MSEK	1,906	1,955
EPRA NRV, MSEK	44,176	41,953
Growth in EPRA NRV, %	7.3	10.1
EPRA NTA, MSEK	44,176	41,953
EPRA NDV, MSEK	36,645	36,936
EPRA NIY, investment properties, R12, %	4.92	5.92
EPRA LTV, %	52.6	45.5
EPRA capital expenditure, MSEK	20,038	4,908
EPRA earnings per share (EPS), SEK	9.80	10.46
EPRA NRV per share, SEK	227.01	215.58
EPRA NTA per share, SEK	227.01	215.58
EPRA NDV per share, SEK	188.31	189.80

For definitions of EPRA performance measures see page 202.

RECONCILIATION ALTERNATIVE PERFORMANCE MEASURES PER SHARE [1]	2025	2024
Comprehensive income per share, SEK		
Comprehensive income for the period attributable to owners of the parent, MSEK	1,028	2,718
Weighted average number of shares before and after dilution	194,603,000	186,866,813
Comprehensive income per share, SEK	**5.28**	**14.55**
Cash earnings per share, SEK		
Cash earnings attributable to owners of the parent, MSEK	1,906	1,955
Weighted average number of shares before and after dilution	194,603,000	186,866,813
Cash earnings per share, SEK	**9.80**	**10.46**
Net reinstatement value (EPRA NRV) per share, SEK		
EPRA NRV, MSEK	44,176	41,953
Number of shares at year-end	194,603,000	194,603,000
Net reinstatement value (EPRA NRV) per share, SEK	**227.01**	**215.58**
Dividend per share, SEK		
Dividend, MSEK	876	827
Number of shares at dividend	194,603,000	194,603,000
Dividend per share, SEK	**4.50**	**4.25**
Weighted average number of shares before and after dilution	194,603,000	186,866,813
Number of shares at year-end	194,603,000	194,603,000
PROPERTY-RELATED PERFORMANCE MEASURES		
Number of hotels, end of period[2]	193	161
Number of rooms, end of period[2]	42,761	35,672
WAULT, years	13.6	14.4
Market value properties, MSEK	91,743	76,334
Market value investment properties, MSEK	77,170	60,290
Market value operating properties, MSEK	14,573	16,044
RevPAR (operating properties) for comparable units at comparable exchange rates, SEK	1,149	1,075

[1] The total number of shares outstanding after full dilution amounts to 194,603,000, of which 75,000,000 are class A shares and 119,603,000 are class B shares. Calculated on the total number of shares for balance sheet items and the weighted number of shares for income statement items.

[2] Pandox-owned hotel properties.

EXPLANATIONS

Financial risk

Pandox owns, manages and develops hotel properties and operates hotels. The level of risk-taking is expressed in a loan-to-value ratio of between 45 and 60 percent, depending on market development and the opportunities that exist. In addition to the loan-to-value ratio, other relevant measures of Pandox's financial risk are interest coverage ratio, average interest on debt and net interest-bearing debt.

Growth and profitability

Pandox's overall goal is to increase cash flow and property value and thereby have the resources for investments to support the Company's continued expansion. Since Pandox both owns and operates hotel properties, multiple indicators are needed to measure the Company's performance in relation to goals in this regard. Growth in cash earnings is Pandox's primary focus and this is also the basis for the dividend paid annually to the shareholders, i.e. 30–50 percent of cash earnings with an average dividend share of 40 percent over time. Measuring net operating income creates transparency and comparability between the Company's two business segments and with other property companies. EBITDA measures Pandox's total operational profitability in a uniform way.

Net reinstatement value (EPRA NRV) and equity

Net asset value is the aggregate capital Pandox manages on behalf of its shareholders; Pandox generally measures this as net reinstatement value (EPRA NRV). Pandox measures long-term net asset value based on the balance sheet adjusted for items that will not yield any payments in the near future, such as derivatives and tax liabilities. The market value of operating properties is also included in the calculation.

▶▶ Note A1, cont.

Net asset value expressed as EPRA NRV, EPRA NTA and EPRA NDV

Net asset value is the aggregate capital that the Company manages on behalf of its shareholders. Net asset value can be calculated in various ways, primarily affected by the time horizon and the portfolio's turnover. In general, Pandox has an industrial and long-term investment horizon.

As of 31 December 2025 Pandox is reporting the performance measures EPRA NRV (net reinstatement value), which for Pandox corresponds to the previously reported EPRA NAV (net asset value), EPRA NTA (net tangible assets) and EPRA NDV (net disposal value). See page 202 for definitions. EPRA NRV (net reinstatement value) is the long-term net asset value and is based on the balance sheet adjusted for items where there will be no payments made in the near future, such as goodwill, financial derivatives, deferred tax liability and surplus value of operating properties. EPRA NTA (net tangible assets) is the same as long-term net asset value with the difference that goodwill not attributable to deferred tax is to be added back and that deferred tax can be assigned a market value taking into account how the entity has carried out real estate transactions in recent years. As Pandox has no goodwill and has a long-term investment horizon, in Pandox's case the value of NRV and NTA is the same. EPRA NDV (net disposal value) is net asset value according to equity in the balance sheet adjusted for goodwill (Pandox has no goodwill) and surplus value of operating properties.

	31 Dec 2025		31 Dec 2024	
Net asset value	**MSEK**	**SEK per share[1)]**	**MSEK**	**SEK per share[1]**
Equity attributable to owners of the parent	33,729	173.32	33,528	172.29
Add: Revaluation of operating properties	2,916	14.98	3,408	17.51
Add: Fair value of financial derivatives	–630	–3.24	–956	–4.91
Less: Deferred tax assets related to derivatives	130	0.67	197	1.01
Add: Deferred tax liabilities	8,031	41.27	5,776	29.68
Net reinstatement value (EPRA NRV), MSEK	**44,176**	**227.01**	**41,953**	**215.58**
Added back:	—	—	—	—
Net tangible assets (EPRA NTA), MSEK	**44,176**	**227.01**	**41,953**	**215.58**
Added back: derivatives and deferred tax	–7,531	–38.70	–5,017	–25.78
Net disposal value (EPRA NDV), MSEK	**36,645**	**188.31**	**36,936**	**189.80**

[1)] Number of shares at end of period.

	31 Dec 2025			31 Dec 2024		
Loan-to-value ratio, MSEK	**Loan-to-value ratio reported to date, %**	**Adj.**	**Loan-to-value ratio, %, EPRA**	**Loan-to-value ratio reported to date, %**	**Adj.**	**Loan-to-value ratio, %, EPRA**
Non-current interest-bearing liabilities	45,503	—	45,503	33,175	—	33,175
Current interest-bearing liabilities	3,778	—	3,778	2,359	—	2,359
Arrangement fees for loans	247	—	247	237	—	237
Net operating receivables and operating liabilities	—	—	—	—	248	248
Exclude: Cash and cash equivalents	–1,186	—	–1,186	–1,286	—	–1,286
Net debt	**48,342**	**—**	**48,342**	**34,485**	**248**	**34,733**
Market value, properties	97,743	—	91,743	76,334	—	76,334
Net operating receivables and operating liabilities		174	174	—	—	—
Total properties and other applicable assets	**91,743**	**174**	**91,917**	**76,334**	**—**	**76,334**
Loan-to-value ratio, %	**52.7**		**52.6**	**45.2**		**45.5**

Loan-to-value ratio according to EPRA LTV

EPRA LTV is a key ratio that shows interest-bearing net debt, including non-controlling interests (Eiendomsspar's ownership interest in Bidco), in relation to the total market value of the property portfolio and other available assets, and is used to create comparability between property companies. EPRA LTV is essentially the same as Pandox's previous definition of loan-to-value ratio, the only difference being that net operating receivables and operating liabilities are included in the EPRA measurement.

As Pandox has no associated companies, joint ventures or other minority interests that are material for the Company, no further adjustments are made. Adjustment compared with the loan-to-value ratio reported to date is the net of the following short-term operating items: tax assets, trade accounts receivable, deferred rent receivables, other receivables, provisions, tax liabilities, trade accounts payable and other current liabilities.

B General information and overall accounting principles

B1 OVERALL ACCOUNTING PRINCIPLES

Introduction

The consolidated accounts cover Pandox AB (the Parent Company) and its subsidiaries (the Group). The Parent Company, Pandox AB (publ), is a Swedish company (company reg. no. 556030-7885) and has its registered office in Sweden at Vasagatan 11, SE-111 20 Stockholm. Pandox was formed in 1995 and the Company's class B shares have been listed on Nasdaq Stockholm since 18 June 2015. For disclosures concerning the ownership structure, see "The share and the capital market" on page 49. The financial statements as per 31 December 2025 were approved by the Board of Directors and CEO on 11 March 2026 for adoption at the Annual General Meeting on 15 April 2026.

The executive management team and the Board of Directors have discussed the development, choice of and disclosures on the Group's important accounting principles and estimates, as well as the application of these.

The accounting principles can be found in the respective note where applicable. For the Parent Company's accounting principles, see Note J1. They are divided up in the following way in the notes:

§ ACCOUNTING PRINCIPLES

Refers to the principles, bases, rules and practices that the Company applies in the preparation and presentation of the Annual Report.

! KEY ESTIMATES AND JUDGMENTS

When preparing financial statements it is necessary to make judgments in the application of accounting principles and estimates with respect to the value of assets, liabilities, revenue and expenses. Estimates and assumptions are based on past experience and other factors deemed relevant and reasonable. Estimates and assumptions are reviewed regularly and compared with the actual outcome.

1. Accounting basis

1.1 Conformity with standards and laws

The consolidated financial statements have been prepared in accordance with the Swedish Annual Accounts Act and with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. The Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups has also been applied.

1.2 Basis for valuation

Investment properties and derivative instruments are recognised at fair value on an ongoing basis. Other assets and liabilities are recognised at historic cost or, where applicable, at amortised cost in the case of non-derivative financial liabilities and financial assets.

1.3 Functional currency and reporting currency

The functional currency of the Parent Company is Swedish kronor (SEK), which is also the reporting currency of the Parent Company and of the Group. The financial statements are therefore presented in Swedish kronor. All figures are in millions of Swedish kronor (MSEK) unless indicated otherwise.

1.4 Classification

Non-current assets and non-current liabilities consist of amounts expected to be recovered or paid after 12 months have passed since the balance sheet date. Current assets and current liabilities consist of amounts expected to be recovered or paid within 12 months of the balance sheet date.

1.5 Reporting of acquisitions

The IFRS 3 financial reporting standard states that acquisitions are to be classified as business combinations or asset purchases. In an asset purchase, the transaction is not covered by IFRS 3. An individual assessment of the nature of the acquisition is required for each individual transaction. Until a final settlement has been drawn up or legal restructuring has been completed, the accounts that consolidate acquired properties, assets and liabilities are prepared based on available information, review and assessment to ensure that Pandox's accounting principles are applied. On final settlement a difference may arise, requiring the acquired property value to be adjusted. In asset purchases, no separate deferred tax is recognised at the time of acquisition; instead the asset is recognised at cost, which corresponds to the fair value of the asset after deducting any discount for non-tax-deductible costs. Transaction expenses are capitalised and added to cost for asset purchases. See Note H2 concerning business combinations, including the accounting principles applied based on IFRS 3.

2. New accounting standards

Amendments and new accounting standards entered into force in 2025. None have had any material impact on the Group's financial statements. Amendments entering into force in 2026 are also expected to have no significant impact on the Group's financial statements. IFRS 18 is effective from 1 January 2027.

2.1 Pillar 2

Sweden has introduced global minimum tax legislation (Pillar 2) with effect from 1 January 2024. The Group is subject to the rules on top-up tax from 2025 onwards in certain jurisdictions. The Group applies the mandatory exemption from accounting for deferred tax attributable to the effects of the top-up tax and recognises the tax as current tax when it arises. For 2025 the Group has not reported any tax expense attributable to the top-up tax.

3. Foreign currency

3.1 Foreign currency transactions

Foreign currency transactions are translated into the functional currency at the exchange rate prevailing on the transaction date. Functional currency is the currency of the primary economic environment where the companies conduct their business. Monetary assets and liabilities in foreign currency are translated to the functional currency at the exchange rate prevailing on the closing day. Exchange rate differences that arise on translation are recognised in profit or loss for the year.

3.2 Financial statements of foreign entities

Assets and liabilities of foreign entities and consolidated surpluses and deficits are translated from the foreign entity's functional currency to the Group's reporting currency (Swedish kronor) at the exchange rate in effect on the closing day. Revenue and expenses in a foreign operation are translated to Swedish kronor at an average exchange rate which is an approximation of the exchange rates prevailing on each transaction date. Translation differences arising in currency translation of foreign entities and net investments or other financial instruments designated for hedging of such investments are recognised in other comprehensive income and accumulated in a separate component of equity called the translation reserve. When a controlling interest ceases to exist for a foreign entity, the cumulative translation differences relating to the entity are realised, at which point they are reclassified from the translation reserve in equity to profit or loss for the year.

EXCHANGE RATES

The exchange rates used were obtained from the Riksbank (Sweden's central bank), www.riksbank.se.

Currency code	Ultimo 31 Dec 2024	Average Jan–Dec 2025	Ultimo 31 Dec 2025
CAD	7.639840	7.017995	6.717590
CHF	12.174350	11.811632	11.641020
DKK	1.539750	1.482934	1.448410
EUR	11.486500	11.067723	10.818000
GBP	13.847500	12.921631	12.417360
NOK	0.969690	0.944453	0.914760
SEK	1.000000	1.000000	1.000000

4. Consolidation principles

4.1 Controlling interest and the acquisition method

Subsidiaries are companies that are under the direct or indirect control of the Parent Company.

The acquisition method of accounting is used for subsidiaries. With the acquisition method, a subsidiary is regarded as a transaction through which the Group indirectly acquires the subsidiary's assets and assumes its liabilities. The fair value on the date of acquisition of the identifiable assets acquired and liabilities assumed, as well as any non-controlling interests, are established in a purchase price allocation. Acquisitions made on several occasions which increase ownership of a company are recognised as step acquisitions. Once a controlling interest has been achieved, changes in ownership are recognised as a transfer in equity between owners of the Parent Company and non-controlling interests.

An acquisition of a company can be regarded either as an asset purchase or as a business combination. In an asset purchase, the transaction is not covered by IFRS 3. See also section 1.5 concerning reporting of acquisitions.

5. Inventories

Inventories are stocks of consumables in the hotel operations. Inventories are measured at cost or net realisable value, whichever is lower. The cost of inventories is calculated using the first-in, first-out (FIFO) method and includes expenditures that have arisen from the acquisition of inventory assets and from bringing them to their present location and condition.

6. Impairment

The assets carried in the Group are tested on each closing date for indications of impairment. IAS 36 is applied for impairment of assets other than financial assets, which are recognised according to IFRS 9. Investment properties are recognised at fair value (IAS 40). For other assets, the carrying amount is determined according to the respective standard.

6.1 Impairment of property, plant and equipment

If there is an indication of impairment, the recoverable amount of the asset is calculated as described below. If it is not possible to determine the largely independent cash flows for an individual asset, and its fair value less costs to sell cannot be used, the assets are grouped for the purpose of impairment testing at the lowest level at which is it possible to identify largely independent cash flows – a so-called cash-generating unit.

An impairment loss is recognised when an asset's or a cash-generating unit's carrying amount exceeds its recoverable amount. Impairment losses are expensed through profit or loss. The recoverable amount is the higher of fair value less costs to sell and value in use. When calculating value in use, future cash flows are discounted using a discount factor that takes into account risk-free interest and the risk associated with the specific asset.

6.2 Impairment of financial assets

At each reporting date the Company assesses whether there is objective evidence of impairment of a financial asset or group of assets. Objective evidence consists of an observable circumstance that has arisen and

►► Note B1, cont.

that has a negative impact on the ability to recover the cost of the asset. The Company classifies rent receivables and other receivables as doubtful based on individual assessments. For impairment of receivables the simplified model is applied.

6.3 Reversal of impairment losses

Impairment losses on assets covered by IAS 36 are reversed if there is both an indication that the impairment loss no longer exists and there has been a change in the assumptions on which the calculation of the recoverable amount was based. An impairment loss is reversed only to the extent that the carrying amount of the asset after the reversal does not exceed the carrying amount that would have been recognised, minus depreciation/amortisation where applicable, if no impairment loss had been recognised.

Impairment losses on loans receivable and trade accounts receivable that are recognised at amortised cost are reversed if the past reason for the impairment loss no longer exists and the corresponding payment is expected to be received from the customer.

C Revenue and costs

C1 BUSINESS SEGMENTS

§ ACCOUNTING PRINCIPLES

A business segment is a unit in the Group with operations from which revenue can be generated and costs incurred, and for which independent financial information is available. A business segment's performance is monitored by the Company's chief operating decision-maker (CEO) to evaluate performance and to be able to allocate resources to the business segment.

Pandox's business segments are Leases and Own Operations. The Leases segment owns and leases out hotel properties to hotel operators for hotel operations. In the Own Operations segment we both own the hotel property and operate the hotel business situated within it. Unallocated items are any items that are not attributable to a specific segment or are common to both segments, as well as financial expense attributable to right-of-use assets according to IFRS 16. Scandic Hotels Group and Fattal Hotel Group are tenants which, individually, account for more than 10 percent of revenue.

GROUP 2025

Business segments, MSEK	Leases[3]	Own Operations[3]	Group-wide and unallocated items	Total
Revenue Leases				
Rental income and other property revenue[1]	4,098	—	—	4,098
Revenue Own Operations		3,371	—	3,371
Net sales	**4,098**	**3,371**		**7,469**
Costs Leases	–519	—	—	–519
Costs Own Operations[2]		–2,728	—	–2,728
Gross profit	**3,579**	**643**		**4,222**
– of which gross profit Leases	3,579	—	—	3,579
– of which gross profit Own Operations	—	643	—	643
Central administration	—	—	–236	–236
Transaction costs	—	—	–241	–241
Financial income	—	—	32	32
Financial expense	—	—	–1,668	–1,668
Financial expense for right-of-use assets	—	—	–140	–140
Profit before changes in value	**3,579**	**643**	**–2,253**	**1,969**
Changes in value				
Change in property value	605	—	—	605
Acquisition result Dalata	1,598	—	—	1,598
Change in value of derivatives	—	—	–326	–326
Profit before tax	**5,782**	**643**	**–2,579**	**3,846**
Current tax	—	—	–343	–343
Deferred tax	—	—	–329	–329
Profit for the period – continuing operations	—	—	**–3,251**	**3,174**
Profit from divested operations	—	—	0	0
PROFIT FOR THE YEAR	**5,782**	**643**	**–3,251**	**3,174**

1) For full-year 2025 revenue-based rent in the Leases segment amounted to MSEK 1,354.
2) Including depreciation of operating properties at MSEK 328.
3) Management revenue is recognised over time and fixed fees are received in advance. Variable compensation in the Leases segment is paid on a six-monthly or annual basis, as agreed. In the Own Operations segment, revenue is recognised and payments are received at the time of delivery of the service and/or product.

Geographical market, MSEK	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK	Ireland	Other	Total
Net sales										
Leases	996	253	329	291	899	113	786	207	224	**4,098**
Own Operations	—	82	—	48	692	1,098	1,372	—	80	**3,371**
Properties, market value[1]	16,648	4,347	4,167	4,227	16,739	5,988	22,834	12,824	3,969	**91,743**
Investments in properties[2]	284	75	66	78	116	243	184	28	10	**1,084**
Acquisition of properties	351	—	710	—	778	—	6,020	11,096	—	**18,954**
Change in property value	134	74	153	–64	13	151	85	76	–17	**605**
Carrying amount, operating properties	—	—	—	23	1,956	3,067	6,255	—	357	**11,657**
Total non-current assets at carrying amount excl. deferred tax	17,860	4,360	4,169	4,955	16,081	5,182	23,723	12,999	4,005	**93,333**

1) Also includes fair value of operating properties at MSEK 14,753.
2) Includes investments in furniture, fixtures and equipment in operating properties at MSEK 133.

▶▶ Note C1, cont.

GROUP 2024 Business segments, MSEK	Leases[3]	Own Operations[3]	Group-wide and unallocated items	Total
Revenue Leases				
Rental income and other property revenue[1]	3,865	—	—	3,865
Revenue Own Operations	—	3,271	—	3,271
Net sales	**3,865**	**3,271**	—	**7,136**
Costs Leases	–568	—	—	–568
Costs Own Operations[2]	—	–2,713	—	–2,713
Gross profit	**3,297**	**558**	—	**3,855**
– of which gross profit Leases	3,297	—	—	3,297
– of which gross profit Own Operations	—	558	—	558
Central administration	—	—	–200	–200
Transaction costs				
Financial income	—	—	38	38
Financial expense	—	—	–1,590	–1,590
Financial expense for right-of-use assets	—	—	–119	–119
Profit before changes in value	**3,297**	**558**	**–1,871**	**1,984**
Changes in value				
Change in property value	427	48	—	475
Acquisition result Dalata				
Change in value of derivatives	—	—	–100	–100
Profit before tax	**3,724**	**606**	**–1,971**	**2,359**
Current tax	—	—	–318	–318
Deferred tax	—	—	–335	–335
Profit for the period – continuing operations	**3,724**	**606**	**–2,624**	**1,706**
Profit from divested operations	—	—	—	—
PROFIT FOR THE YEAR	**3,724**	**606**	**–2,624**	**1,706**

1) For full-year 2024 revenue-based rent in the Leases segment amounted to MSEK 1,275.
2) Including depreciation of operating properties at MSEK 284.
3) Management revenue is recognised over time and fixed fees are received in advance. Variable compensation in the Leases segment is paid on a six-monthly or annual basis, as agreed. In the Own Operations segment revenue is recognised and payments are received at the time of delivery of the service and/or product.

Geographical market, MSEK	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK	Ireland	Other	Total
Net sales										
Leases	942	245	240	307	920	86	784	111	230	**3,865**
Own Operations	—	88	—	41	758	1,202	1,018	—	165	**3,271**
Properties, market value[1]	16,019	4,418	3,455	4,511	16,959	6,145	18,883	1,725	4,219	**76,334**
Investments in properties[2]	321	47	85	41	145	257	98	16	12	**1,024**
Acquisition of properties	0	—	—	—	—	—	3,884	—	—	**3,884**
Change in property value	93	227	126	–144	–19	–24	327	4	–114	**475**
Carrying amount, operating properties	—	—	—	28	2,058	3,213	6,953	—	385	**12,637**
Total non-current assets at carrying amount excl. deferred tax	17,697	4,432	3,457	5,312	15,909	5,037	19,491	1,725	4,245	**77,304**

1) Also includes fair value of operating properties at MSEK 16,044.
2) Includes investments in furniture, fixtures and equipment in operating properties at MSEK 46.

C2 REVENUE

§ ACCOUNTING PRINCIPLES

Rental income
Rental income from Leases is recognised on a straight line basis according to the terms and conditions in the agreements. Rental income relates to the space leased for hotel operations and minor rental income from other premises.

Other property revenue and government grants
Other property revenue consists mainly of charges for heating, electricity and property tax and is recognised on a straight line basis according to the terms and conditions in the agreements.

Government grants within Leases are recognised as other revenue in the income statement when it is reasonably certain that the grant will be received and in the same period as the costs they are intended to cover.

Revenue from Own Operations
Revenue from Own Operations refers to the hotels operated by Pandox itself. The revenue comes mainly from accommodation, food and beverage, as well as conference activities. Revenue from Own Operations is recognised in the period in which the services are performed.

Revenue from property sales
Revenue from property sales is recognised on the occupancy date unless the risks and benefits have been transferred to the purchaser on an earlier occasion, in which case the revenue from the property sale is recognised at this earlier point in time.

Pandox's revenue is attributable to the segments Leases and Own Operations.

Revenue from Leases consists of rental income and a smaller element of other property revenue. The leases are generally linked to the hotels' sales of rooms, conference rooms and food and beverages, and usually involve a guaranteed minimum rent – making it possible to have increased income as well as downside protection. Contractual rental income has been translated at the average rate. Total variable rental income accounts for MSEK 1,354 (1,275) of the total rental income of MSEK 3,935 (3,728) in 2025.

The Own Operations segment generates revenue from hotels that Pandox operates itself. In this segment the hotels' revenue from sales of rooms, conference facilities, food and beverages etc. accrues entirely to Pandox. Total revenue from Own Operations amounts to MSEK 3,371 (3,271).

The average unexpired lease term at the end of the financial year was 13.6 (14.4) years for the current portfolio, excluding the anticipated leases with Scandic. The maturity structure of the future rental income as of the closing day is presented in the table below. Revenue due more than 12 months after the closing date is based on the outcome of variable rental income in 2025 and is therefore an estimate.

GROUP
RENTAL INCOME, MATURITY STRUCTURE OF CONTRACTUAL RENT[1)]

MSEK	2025	2024
Rental income		
Due within one year	3,666	3,610
Due in 1–5 years	16,746	16,692
Due after more than 5 years	29,469	31,044
Total	**49,880**	**51,347**

1) Excluding the anticipated leases with Scandic.

Around 1.6 percent of rental income comes from other rents for offices and retail outlets, and other minor rental income. These lease terms are significantly shorter and the rental income is not included in the table above.

C3 FEES AND REMUNERATION TO AUDITORS

REMUNERATION TO AUDITORS

	Group		Parent Company	
MSEK	2025	2024	2025	2024
PwC				
Audit assignments	–15.7	–13.6	–7.6	–5.7
Audit-related services[1,2)]	–2,6	–0,1	–2,6	–0.1
(of which to the auditor for the Parent Company Öhrlings Pricewaterhouse-Coopers AB)	*–2.6*	*–0.1*	—	—
Tax advisory services[1)]	—	—	—	—
(of which to the auditor for the Parent Company Öhrlings Pricewaterhouse-Coopers AB)	—	—	—	—
Other assignments	–0.5	–2.2	–0.5	–2.1
(of which to the auditor for the Parent Company Öhrlings Pricewaterhouse-Coopers AB)	*–0.5*	*–2.1*	—	—
Other auditors				
Audit assignments	–15.4	–7.9	—	—
Audit-related services	—	0.0	—	—
Tax advisory services	—	–0.2	—	—
Other assignments	—	—	—	—
Total	**–34.2**	**–24.0**	**–10.7**	**–7.9**

1) Audit-related services are audit-related advisory services and preparation of other statutory reports.
2) Mainly consulting and auditing for CSRD.

C4 COSTS LEASES

GROUP

MSEK	2025	2024
Operating costs	–65	–58
Maintenance costs	–73	–71
Property tax	–135	–136
Property administration	–214	–270
Other administration costs	–32	–33
Total	**–519**	**–568**

Operating costs include costs for electricity, heating, water and janitorial services. Maintenance costs consist of ongoing measures to maintain the standard of the properties and their technical systems.

A portion of the operating costs and the property tax is passed on to the tenants. This revenue is recognised under the heading "Other property revenue" in the income statement and amounts to MSEK 134 (114). Property administration of MSEK –214 (–270) includes the cost of bookkeeping, auditing, legal advice and other administrative expenses.

C5 COSTS OWN OPERATIONS

GROUP

MSEK	2025	2024
Employee costs	–998	–994
Marketing and sales	–133	–153
Repairs and maintenance	–104	–147
Property tax	–66	–63
Other operating costs	–1,099	–1,072
Depreciation/amortisation	–328	–284
Total	**–2,728**	**–2,713**

Costs for Own Operations include costs for employees, administration, marketing, maintenance and operating costs. Maintenance costs consist of ongoing measures to maintain the standard of the properties and their technical systems. Also included is depreciation of operating properties recognised at book value and charged with annual depreciation. The operating properties are reported at cost, which is decreased on an ongoing basis for depreciation.

C6 OPERATING COSTS BY TYPE

GROUP

MSEK	2025	2024
Employee costs	–1,180	–1,150
Cost of goods sold	–133	–153
Maintenance	–177	–218
Operation and administration	–1,451	–1,457
Property tax	–201	–199
Depreciation/amortisation	–341	–304
Total	**–3,483**	**–3,481**

Maintenance costs consist of ongoing measures to maintain the standard of the properties and their technical systems. Also included is depreciation of operating properties recognised at book value and charged with annual depreciation, as well as depreciation of office equipment.

C7 SALARIES, OTHER REMUNERATION AND PAYROLL OVERHEADS

§ ACCOUNTING PRINCIPLES

Short-term benefits
Short-term benefits to employees are undiscounted and are expensed when the related services are performed. A liability is recognised for the anticipated cost of bonus payments when the Group has a valid legal or constructive obligation to make such payments because services have been performed by employees and the obligations can be reliably calculated.

Defined contribution pension plans
Defined contribution plans are plans for post-employment benefits where a company pays fixed contributions to another company (normally an insurance company) and has no legal or constructive obligation to pay any additional amount, even if the other company does not meet its commitments. The Company's obligations with respect to contributions to defined contribution plans are expensed through profit or loss as they are earned when the employees perform services for the Company over a period of time.

Endowment policies for employees
The Company has defined contribution endowment policies for employees who have a pension premium exceeding 10 price base amounts. Under the Company's pension policy, the portion which exceeds 10 price base amounts is invested in an endowment policy. The premium is defined as a percentage of salary taking into account the employee's salary and age, and the endowment policy is pledged to the employee. Endowment policies are recognised as an estimated liability, with a corresponding asset owned by the Parent Company.

Incentive schemes for employees
Pandox's incentive schemes are reported according to IFRS 2. The schemes give rise to a commitment to the scheme participants that is measured at fair value and recognised as an expense, with a corresponding increase in provisions. Fair value is calculated as of the end of each reporting period. The expense including payroll overheads is distributed and the provision accumulated over the scheme's vesting period.

Salary costs and board fees for the Group and the Parent Company amount to MSEK –1,188.6 (–1,145.4) and are presented in the table below.

SALARIES, FEES AND BENEFITS

	Group		Parent Company	
MSEK	**2025**	**2024**	**2025**	**2024**
Chair of the Board				
Christian Ringnes	–1.1	–1.0	–1.1	–1.0
Other board members				
Bengt Kjell (Vice Chair)	–0.9	–0.8	–0.9	–0.8
Jon Rasmus Aurdal	–0.7	–0.6	–0.7	–0.6
Ann-Sofi Danielsson[1]	—	–0,6	—	–0.6
Ulrika Danielsson	–0.7	–0.6	–0.7	–0.6
Jeanette Dyhre Kvisvik	–0.5	–0.5	–0.5	–0.5
Jakob Iqbal	–0.5	–0.5	–0.5	–0.5
Chief Executive Officer				
Basic salary	–7.7	–7.3	–7.7	–7.3
Variable remuneration	–2.9	–3.1	–2.9	–3.1
Incentive schemes	–1.9	–3.5	–1.9	–3.5
Other senior executives				
Basic salary	–26.9	–23.0	–26.9	–23.0
Variable remuneration	–8.1	–7.7	–8.1	–7.7
Other remuneration[2]	–8.5	–9.3	–8.5	–1.7
Incentive schemes	–7.4	–11.9	–7.4	–14.3
Other employees	–913.4	–881.5	–41.1	26.1
Incentive schemes	–2.6	–3.1	–2.6	–3.1
Total	**–983.8**	**–957.4**	**–111.5**	**–94.4**

	Group		Parent Company	
MSEK	**2025**	**2024**	**2025**	**2024**
Contractual pension costs				
Chief Executive Officer	–2.5	–2.6	–2.5	–2.6
Other senior executives	–7.6	–6.7	–7.6	–6.7
Other employees	–23.7	–22.7	–7.8	–5.7
Total	**–33.8**	**–32.0**	**–17.9**	**–15.0**
Payroll overheads including payroll tax				
Chair of the Board	–0.2	–0.1	–0.2	–0.1
Other board members	–0.6	–0.7	–0.6	–0.7
Chief Executive Officer	–4.7	–4.9	–4.7	–4.9
Other senior executives	–8.4	–11.8	–8.4	–11.8
Other employees	–157.1	–138.5	–28.3	–13.5
Total	**–170.9**	**–156.0**	**–42.1**	**–31.0**
Total	**–1,188.6**	**–1,145.4**	**–171.6**	**–140.4**

[1] Ann-Sofi Danielsson stepped down at the 2025 Annual General Meeting.
[2] Remuneration is invoiced by one senior executive.

The Board's proposed guidelines for remuneration of senior executives and board members

Purpose and scope
These guidelines for remuneration of senior executives cover the Company's board members and executive management team, which includes the Chief Executive Officer and other senior executives. The guidelines are forward-looking and are to be applied to contractual remuneration, and changes that are made to contractual remuneration, after the guidelines are adopted by the 2024 Annual General Meeting. The guidelines do not cover remuneration that is voted on at shareholders' meetings.

Promotion of the Company's business strategy, long-term interests and sustainability
Pandox's vision is to be a world-leading hotel property company with expertise in active ownership, hotel property management and development, as well as hotel operation. Pandox's strategy is to own large hotel properties in strategic locations and to lease them to strong hotel operators under long-term revenue-based leases. In situations where the conditions are not in place for a profitable lease, Pandox can choose to operate a hotel itself. Pandox is an active owner that moves freely throughout the hotel value chain, which both reduces risk and creates new business opportunities. Through specialisation, business agility and carefully considered diversification in multiple dimensions, Pandox is laying the foundation for the Company's value creation.

Long-term, successful and sustainable implementation of the Company's business strategy requires the Company to be able to recruit and retain qualified employees. To do this, the Company needs to be able to offer competitive remuneration. These guidelines enable senior executives to be offered a competitive remuneration package.

Variable cash remuneration as described in these guidelines must also be aimed at promoting the Company's business strategy and long-term interests, including its sustainability.

Remuneration for senior executives
Forms of remuneration etc.
Remuneration is to be in line with market norms and may consist of the following components: fixed cash salary, short-term variable cash remuneration based on fixed cash salary, cash-based incentive schemes (current and continuing LTI schemes which, according to their terms, now run for one year at a time), pension benefits and other benefits. In addition, the guidelines allow for a performance-based, long-term cash-based incentive scheme linked to the share price for members of executive management and other key employees within Pandox ("LTIP 2024"). The performance criteria for LTIP 2024 are measured for the period 1 January 2024–31 December 2025 and payment under LTIP 2024 is to be made in cash as soon as possible after 31 December 2025. The shareholders' meeting may in addition – and irrespective of these guidelines – decide to offer share-related, share price-related or performance-based remuneration.

The short-term variable cash remuneration is based on fixed cash salary and maximised at six monthly salaries for the Chief Executive Officer and four monthly salaries for other senior executives. In addition, the Chief Executive Officer and other senior executives may be offered the opportunity to participate in cash-based incentive schemes and, if such schemes are introduced by the Board and Remuneration Committee, they must be designed in a similar way to Pandox's existing cash-based incentive schemes. The criteria in the schemes may vary however. Cash-based incentive schemes may be continuous and ongoing. If such cash-based incentive schemes are implemented, it must continue to be possible to receive multiple annual salaries within the scope of the scheme, provided that the return for the Company's shareholders has been very good during the same period.

Pension benefits for the Chief Executive Officer and other senior executives are to be in the form of defined contribution plans. Pension premiums for the defined contribution pension plans may be up to a maximum of 35 percent of fixed annual cash salary. Variable cash remuneration is to be non-pensionable.

▶▶ Note C7, cont.

Other benefits may include life insurance, health insurance and a company car. Such benefits are not to constitute a significant portion of the total remuneration.

Additional cash remuneration may be paid in extraordinary circumstances provided that such extraordinary arrangements are for a limited time and only at the individual level. They may be either for the purpose of recruiting or retaining an executive, or as compensation for work over and above the individual's normal duties. Such remuneration must be commercially justified, in proportion to the individual's fixed salary and not be paid out more than once a year per individual. Decisions on such remuneration are to be made by the Board at the suggestion of the Remuneration Committee.

Regarding employment terms that are subject to rules other than those in Sweden, appropriate adjustments may be made to follow mandatory rules or established local practices, while also remaining in line with the overall purpose of these guidelines as far as possible.

Criteria for payment of variable cash remuneration etc.
The short-term variable cash remuneration based on the fixed salary and remuneration payable under cash-based incentive schemes (current and continuing LTI schemes and LTIP 2025) are to be linked to predetermined and measurable criteria, which may be financial or non-financial. Fulfilment of criteria to receive variable cash remuneration based on fixed salary must, however, be able to be measured over a period of one year. Fulfilment of criteria to receive payment under cash-based incentive schemes must be able to be measured, and settled, for a period of one year but are for targets that are long term.

The criteria for both short-term and long-term variable cash remuneration are to be designed to promote the Company's business strategy and long-term interests, including its sustainability and shareholder returns (for current and continuing LTI schemes, growth in cash earnings per share, growth in EPRA NRV per share and sustainability apply) by, for example, being clearly linked to the business strategy or promoting the executive's long-term development. The criteria for short-term variable cash remuneration may also be individualised quantitative or qualitative objectives. At least one third (1/3) of the net bonus received in the cash-based incentive schemes is to be reinvested in shares in the Company during the year. These shares are to be retained for at least two years from the date of acquisition.

When the measurement period for meeting the criteria for payment of variable cash remuneration has ended, the extent to which the criteria have been met is to be assessed. The Remuneration Committee is responsible for making this assessment. With respect to financial targets, the assessment is to be based on the latest financial information published by the Company.

The Board of Directors must have the ability, by law or contractually, and observing any limitations thereby imposed, to reclaim in full or in part any variable remuneration that has been paid out on erroneous grounds.

Fees for board members
The board members' fees for serving on Pandox's Board are decided on by the shareholders' meeting. Board members are only entitled to receive fees that the shareholders' meeting has decided on. Additional remuneration may, however, be payable for services rendered to Pandox by the board members within their respective areas of expertise and outside their board assignment. Such remuneration is to be in line with market norms and set out in a consultant agreement approved by the Board.

Employment terms
Salary and employment terms for employees
In the preparation of the Board's proposals for these remuneration guidelines, the salary and employment terms of the Company's employees have been taken into account by including information on total remuneration, remuneration components and remuneration increases and rates of increase over time as a basis for the Remuneration Committee's and the Board's decision when evaluating whether the guidelines and the limitations they impose are reasonable.

End of employment
If notice is given by the Company, the period of notice for the Chief Executive Officer and other senior executives is maximised at between six and twelve months. If notice is given by the senior executive, the period of notice is maximised at six months. If the Company serves the Chief Executive Officer with notice of termination, severance pay of 18 monthly salaries is payable. This may be reduced if the Chief Executive Officer is receiving other income. No other severance pay is payable.

Decision process, changes and deviations etc.
Decision process to establish, review and implement the guidelines
The Board has established a Remuneration Committee. The Committee's duties include preparing for board decisions on proposed guidelines for remuneration for senior executives. The Board is to prepare proposals for new guidelines at least once every four years and to submit the proposal for a decision by the Annual General Meeting. These guidelines are to apply until new guidelines have been adopted by the shareholders' meeting. The Remuneration Committee is also to monitor and evaluate variable remuneration programmes for the executive management team, the application of guidelines for remuneration for senior executives, and the remuneration structures and levels applied within the Company. The members of the Remuneration Committee are independent of the Company and the executive management team. When the Board addresses and decides on remuneration-related matters, neither the Chief Executive Officer nor other members of the executive management team are to be present if the discussion concerns them.

Deviation from the guidelines
The Board may decide to temporarily deviate entirely or partly from the guidelines if there are special reasons for doing so in an individual case and deviation is necessary to serve the Company's long-term interests, including its sustainability, or to ensure the Company's financial strength. As stated above, the Remuneration Committee's duties encompass preparing for the Board's remuneration decisions, including decisions on deviating from the guidelines.

These guidelines apply indefinitely from the 2024 Annual Geneal Meeting.

Employment terms for senior executives
Variable remuneration for the Chief Executive Officer is maximised at five monthly salaries. Variable remuneration for other senior executives is maximised at four monthly salaries. The variable remuneration is based on criteria relating to the Group's results and to targets set for the individual. There are also long-term incentive schemes. Between the Company and the Chief Executive Officer a mutual notice period of six months applies. If employment is terminated by the Company, severance pay amounting to 18 monthly salaries is payable. The severance pay is reduced by other income received. If employment is terminated by the Chief Executive Officer, no severance pay is paid. Between the Company and other senior executives a notice period of six to twelve months applies if employment is terminated by the Company and six months if employment is terminated by the executive. No severance pay is payable to other senior executives. The pension premium for the Chief Executive Officer is to amount to 35 percent of pensionable salary. The pension premiums for other senior executives are based on an established policy whereby the provision varies depending on salary level and age.

Incentive schemes for employees
Pandox has incentive schemes for senior executives and key individuals:
- The incentive schemes are continuous, ongoing, performance- and cash-based programmes based on predetermined and measurable financial and non-financial criteria.

Parent Company Board of Directors in 2025:
Christian Ringnes, Chair
Jeanette Dyhre Kvisvik
Jakob Iqbal
Bengt Kjell, Vice Chair
Jon Rasmus Aurdal
Ulrika Danielsson

Senior executives in 2025:
Liia Nõu, CEO
Anneli Lindblom, CFO
Anders Berg
Martin Creydt
Tobias Ekman
Mikael Hultqvist
Lars Häggström
Aldert Shaaphok
Caroline Tivéus
Jonas Törner

Board of Directors and senior executives in 2025:
Number in the Parent Company: 16, of which 5 women
Number in the Group: 16, of which 5 women

The average number of employees in the Group in 2025 was 1,511 (1,498), broken down by country and gender as shown below.

	Group		Parent Company	
Average number of employees	**2025**	**2024**	**2025**	**2024**
Women	732	759	17	14
Men	779	739	24	23
Total	**1,511**	**1,498**	**41**	**37**
Board of Directors				
Women	2	3	2	3
Men	4	4	4	4
Total	**6**	**7**	**6**	**7**
Senior executives				
Women	3	3	3	3
Men	7	7	7	7
Total	**10**	**10**	**10**	**10**
Average number of employees by country				
Sweden	41	37	41	37
Belgium	417	436	—	—
Germany	322	336	—	—
Canada	—	91	—	—
Denmark	18	20	—	—
Finland	24	24	—	—
Norway	2	2	—	—
Netherlands	42	44	—	—
UK	645	508	—	—
Total	**1,511**	**1,498**	**41**	**37**

D Tax

D1 TAX

§ ACCOUNTING PRINCIPLES

Tax for the period consists of current tax and deferred tax. Taxes are recognised in the income statement except where the underlying transaction is recognised in other comprehensive income or directly in equity, in which case the associated tax effect is also included there.

Current tax is tax to be paid or received for the current year applying the tax rates that have been enacted or substantively enacted as of the closing day. Current tax also includes adjustment of current tax that is attributable to earlier periods.

Deferred tax is calculated according to the balance sheet method, and deferred tax liabilities and assets are recognised in the balance sheet for all temporary differences between reported and fiscal values of assets and liabilities. The carrying amount of deferred tax assets and loss carryforwards is tested on the closing day and reduced if it is no longer probable that sufficient taxable surplus will be available for their full or partial utilisation.

Deferred tax is calculated according to statutory tax rates that have been enacted as at the closing day and that are expected to apply when the deferred tax asset in question is realised or the deferred tax liability is settled. The temporary difference arising on initial recognition of assets and liabilities in connection with an asset purchase is not recognised as deferred tax.

! KEY ESTIMATES AND JUDGMENTS

Pandox has tax loss carryforwards. Pandox has measured the loss carryforwards that, according to the tax rules in effect, will be able to be utilised against forecast future profits. Pandox cannot, however, provide any guarantee that current or new tax rules will not limit the possibility of utilising the loss carryforwards.

TAX IN THE INCOME STATEMENT

	Group		Parent Company	
MSEK	**2025**	**2024**	**2025**	**2024**
Current tax	–343	–318	–53	–137
Deferred tax	–329	–335	–11	–22
Total	**–672**	**–653**	**–64**	**–159**

RECONCILIATION OF EFFECTIVE TAX RATE

	Group		Parent Company	
MSEK	**2025**	**2024**	**2025**	**2024**
Tax				
Reported profit before tax	3,846	2,359	729	1,298
Income tax assessed based on the tax rate in effect[2]	–792	–486	–150	–267
Tax relating to previous years	28	50	3	–4
Tax-exempt income[1]	357	148	86	113
Non-deductible expenses	–135	–240	–4	–1
Non-deductible interest expense	–153	–147	—	—
Utilisation of previously unrecognised tax losses	37	34	—	—
Tax loss carryforwards for which no deferred tax asset is recognised	–38	–5	—	—
Recognition of previous unrecognised tax losses	10	44	—	—
Adjustment of temporary differences	–188	–62	1	—
Effect of change in tax rate[2]	179	3	—	—
Tax effect of foreign subsidiaries	23	8	—	—
Tax for the year according to the income statement	**–672**	**–653**	**–64**	**–159**

[1] The acquisition result for Dalata (tax-free), tax-free unrealised exchange gains and foreign tax credit.

[2] In July 2025 the corporate tax rate in Germany was lowered from 15 to 10 percent through an annual decrease of 1 percentage point from the beginning of 2028. Reported temporary differences have therefore been remeasured based on the income tax rate that is expected to apply when the differences are realised.

▶▶ Note D1, cont.

GROUP DEFERRED TAX ASSETS

	Group		Parent Company	
MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Opening balance, tax loss carryforwards	**247**	**227**	**—**	**—**
Recognition of previously unrecognised tax losses	10	46	—	—
Acquisitions	17	—	—	—
Additional tax loss carryforwards	21	7	—	—
Utilised loss carryforwards	–71	–36	—	—
Reclassification	201	—	—	—
Change in tax rate	–36	—	—	—
Translation difference on loss carryforwards outside Sweden	–7	3	—	—
Closing balance	**382**	**247**	**—**	**—**
Opening balance, interest rate derivatives	**—**	**—**	**29**	**54**
Adjusted opening balance	—	—	—	—
Change for the year	—	—	–11	–25
Reclassified as liabilities	—	—	—	—
Change in tax rate	—	—	—	—
Translation difference	—	—	—	—
Closing balance	**—**	**—**	**18**	**29**
Opening balance, other temporary differences	**100**	**113**	**9**	**6**
Adjusted opening balance	1	–2	—	—
Change for the year in the income statement	104	–13	0	3
Change for the year in other comprehensive income	–6	—	—	—
Reclassification	18	—	—	—
Change in tax rate	–3	—	—	—
Translation difference	–6	2	—	—
Closing balance	**208**	**100**	**9**	**9**
Closing balance, tax assets	**590**	**347**	**27**	**38**

The Group's accumulated tax losses are estimated at MSEK 3,092 (3,365) as of 31 December 2025. A deferred tax asset has been estimated on MSEK 1,158 (1,288) of the tax loss. Deferred tax has not been reported on tax losses of MSEK 1,934 (2,077) where settlement against future taxable profits is assessed to be uncertain. The change in deferred tax assets for the year has been reported over the income statement, except for translation differences on foreign deficits.

GROUP DEFERRED TAX LIABILITIES

MSEK	Investment properties	Operating properties	Untaxed reserves	Other temporary differences	Interest rate derivatives	Total
Opening balance, 1 Jan 2024	**4,433**	**312**	**212**	**96**	**217**	**5,270**
Adjusted opening balance	—	—	—	1	0	**1**
Change recognised in the income statement	315	40	16	–18	–20	**333**
Acquisitions	78	—	—	—	—	**78**
Translation difference	68	14	2	10	0	**94**
Closing balance, 31 Dec 2024	**4,894**	**366**	**230**	**89**	**197**	**5,776**
Opening balance, 1 Jan 2025	**4,894**	**366**	**230**	**89**	**197**	**5,776**
Change recognised in the income statement	513	80	16	32	–67	**574**
Sales	–3	—	—	—	—	**–3**
Reclassification	34	166	—	19	—	**219**
Acquisitions	1,889	—	—	—	—	**1,889**
Effect of change in tax rate	–151	–63	—	0	—	**–214**
Translation difference	–175	–9	–4	–21	–1	**–210**
Closing balance, 31 December 2025	**7,001**	**540**	**242**	**119**	**129**	**8,031**

Deferred tax liabilities relating to investment properties are temporary differences between fair value and adjusted taxable value. The adjustment represents the difference between the property's recognised cost on the date of acquisition, after deducting any tax discount, and the property's estimated value on the date of acquisition. Deferred tax liabilities relating to operating properties are temporary differences between cost and the taxable value of the properties. The deferred tax liability for interest rate derivatives refers to unrealised changes in value that do not affect taxation.

Deferred tax on right-of-use assets

Deferred tax liabilities associated with right-of-use assets amount to MSEK 660 (632) and deferred tax liabilities associated with lease liabilities amount to MSEK 661 (634).

E Assets

E1 INVESTMENT PROPERTIES

§ GENERAL ACCOUNTING PRINCIPLES

Investment properties are properties owned for the purpose of generating rental income as well as an appreciation in value. Investment properties include buildings, land and land improvements, as well as furniture, fixtures and equipment in properties. Properties under construction and undergoing remodelling that are intended for use as investment properties once work is completed are also classified as investment properties.

Investment properties are recognised at fair value, which is determined by executive management based on the properties' market value in accordance with IAS 40. Valuation is at Level 3 in the IFRS fair value hierarchy and is based on market value, which is the price most likely to be paid in a sale on the open property market. Level 3 is generally defined as being based on the entity's own estimates and assumptions.

Investment properties are initially recognised at cost, which includes expenses directly attributable to the acquisition, and thereafter at fair value on the closing day. Further expenditures are capitalised if it is likely that the Company will obtain economic benefits associated with the expenditure; in other words, that the expenditure increases the value. Other maintenance expenses and repairs are expensed in the period in which they arise.

Operating properties that are reclassified as investment properties are recognised at fair value on the date of reclassification.

Changes in fair value are recognised in profit or loss and are divided into realised and unrealised changes in value. Realised changes in value refers to changes in value for properties divested and unrealised changes in value refers to other changes in value.

Valuation

The properties' fair value is established on each closing day through appraisal of the market value for each individual property. All properties are appraised quarterly; if an agreement has been signed for the purchase or sale of a property, the agreed property value instead forms the basis of the market value on the subsequent closing day.

The value of the properties is determined based on a cash flow model with a costing period of 10 years. Each individual hotel property's value consists of the present value of the future cash flow plus the residual value in year 10 discounted by the market's valuation yield. The valuation yield used in the calculation is derived from sales of comparable properties. Factors of significance for the valuation are the future earnings capacity through rent development, the change in value in the form of improvement possibilities, the location of the property, the condition to which it has been maintained and the market's valuation yield.

For development rights and other properties where a valuation based on cash flow is not applicable, the market value is instead calculated according to the location price method.

External appraisals are carried out annually. It is Pandox's lenders who decide, or in certain cases participate in decisions on, which external appraiser to retain, which hotel properties to appraise and when to do it. The external valuations provide an important reference point for Pandox's valuation model and if a difference arises compared with internal valuations, this is analysed to challenge the model and the assumptions made. In 2025 a total of 100 percent of the property portfolio underwent external appraisal.

Investment properties are recognised at fair value in the balance sheet. In contrast, operating properties are recognised in the balance sheet at cost less depreciation and impairment. The market value of all Pandox's property types is reported for information purposes among the key ratios and is included in the EPRA NRV calculations.

! KEY ESTIMATES AND JUDGMENTS

Assumptions regarding cash flow

Pandox's hotel leases are mainly revenue-based, with or without a contractual minimum rent, which means that the hotel operator's revenue has a direct impact on the level of rental income. In addition to a country-specific inflation assumption, a hotel property's future earnings capacity are assessed based on the underlying revenues in the operator's (tenant's) business, taking into consideration and analysing the market situation with a focus on supply – for example, new hotels being built or hotels ceasing their operations. Other factors include changes in demand from e.g. the leisure, business or conference segment, and the effects on the hotel's occupancy, average room rate and market share among its group of competitors. Market analysis and assessment of hotel-specific factors (for example, newly completed renovations) are used to calculate the operator's forecast revenue for each category (hotel rooms, conference rooms, food and beverages etc.), and the revenue-based rent is applied according to the lease in order thereby to calculate total revenue-based rent. In general, the percentage rents for room revenue amount to 25–40 percent and other revenue to 5–15 percent. Where the estimated revenue-based rent is less than the contractual minimum level, the minimum rent level is used as revenue. Property costs refers to operation, maintenance, property tax, insurance and site leasehold rent.

Assumptions regarding valuation yield

The valuation yield is based on the market's valuation yield; if this is not available, it is derived from sales of comparable hotel properties. In the absence of such information Pandox uses a combination of information on past hotel property transactions and the location price method, focusing on factors such as the state of the hotel property (technical condition and in terms of product), its location (city, micro-location) and development opportunities (annexes, extensions, suitable areas), as well as the operator's capacity to pay rent, the structure and length of the lease, rent guarantees and financial covenants.

▶▶ Note E1, cont.

The tables below show the change for each geographical market:

BY GEOGRAPHICAL MARKET 31 DECEMBER 2025

MSEK	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK	Ireland	Other	Total
Opening balance	**16,019**	**4,418**	**3,454**	**4,481**	**13,076**	**1,541**	**11,778**	**1,725**	**3,798**	**60,290**
Acquisitions	351	—	710	—	778	—	5,860	11,251	—	18,950
Investments in existing portfolio	284	75	66	78	40	27	15	28	6	619
Disposals/divestments	–76	—	–11	–41	–19	—	—	—	—	–147
Reclassifications	—	—	—	—	—	212	—	—	—	212
Change in value	70	117	164	–59	14	151	86	75	–18	600
Change in exchange rates	-	–263	–216	–261	–778	–103	–1,270	–255	–208	–3,354
Closing balance	**16,648**	**4,347**	**4,167**	**4,198**	**13,111**	**1,828**	**16,469**	**12,824**	**3,578**	**77,170**

BY GEOGRAPHICAL MARKET 31 DECEMBER 2024

MSEK	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK	Ireland	Other	Total
Opening balance	**15,470**	**4,063**	**3,303**	**4,430**	**12,600**	**1,415**	**10,538**	**1,647**	**3,760**	**57,226**
Acquisitions	0	—	—	—	—	—	—	—	—	0
Investments in existing portfolio	322	47	85	39	124	74	22	16	3	732
Disposals/divestments	—	—	—	—	–69	—	—	—	—	–69
Reclassifications	—	—	—	—	—	—	—	—	—	—
Change in value	227	169	124	–144	–22	2	327	4	–79	608
Change in exchange rates	—	139	–58	156	443	50	891	58	114	1,793
Closing balance	**16,019**	**4,418**	**3,454**	**4,481**	**13,076**	**1,541**	**11,778**	**1,725**	**3,798**	**60,290**

CALCULATION ASSUMPTIONS BY GEOGRAPHICAL AREA IN 2025

		Valuation yield		Discount rate	
	Fair value, MSEK	Range, %	Average, %	Range, %	Average, %
Sweden	16,648	4.5–6.7	5.5	6.5–8.7	7.5
– of which Stockholm	*6,047*	*4.5–6.2*	*5.1*	*6.5–8.2*	*7.1*
– of which Gothenburg	*2,703*	*4.6–6.3*	*5.0*	*6.6–8.3*	*7.0*
– of which Malmö	*1,466*	*5.2–6.4*	*5.5*	*7.2–8.4*	*7.5*
– of which Other Sweden	*6,432*	*5.6–6.6*	*6.0*	*7.6–8.6*	*8.0*
Denmark	4,347	4.9–6.8	5.6	6.9–8.8	7.6
Norway	4,167	5.3–8.4	6.7	7.3–10.4	8.7
Finland	4,198	5.5–10.0	6.2	7.5–12.0	8.2
Germany	13,111	5.5–7.5	6.3	7.5–9.5	8.3
Belgium	1,828	6.3–7.3	6.7	8.3–9.3	8.7
UK	16,469	5.2–10.3	6.7	7.2–12.3	8.7
Ireland	12,824	5.6–12.1	7.0	7.6–14.1	9.0
Other	3,578	5.1–7.0	6.0	6.9–8.8	7.8
Total	**77,170**	**4.5–12.1**	**6.3**	**6.5–14.1**	**8.3**

CALCULATION ASSUMPTIONS BY GEOGRAPHICAL AREA IN 2024

		Valuation yield		Discount rate	
	Fair value, MSEK	Range, %	Average, %	Range, %	Average, %
Sweden	16,019	4.5–7.3	5.5	6.5–9.3	7.5
– of which Stockholm	*5,892*	*4.5–6.2*	*5.1*	*6.5–8.2*	*7.1*
– of which Gothenburg	*2,806*	*4.6–7.3*	*5.1*	*6.6–9.3*	*7.1*
– of which Malmö	*1,454*	*5.5–6.4*	*5.5*	*7.5–8.4*	*7.5*
– of which Other Sweden	*5,867*	*5.6–6.6*	*6.0*	*7.6–8.6*	*8.0*
Denmark	4,418	5.2–6.8	5.7	7.2–8.8	7.7
Norway	3,454	5.5–8.4	6.6	7.5–10.4	8.6
Finland	4,481	5.5–10.0	6.2	7.5–12.0	8.2
Germany	13,076	5.7–6.8	6.3	7.7–8.8	8.3
Belgium	1,541	6.6–7.4	7.0	8.6–9.4	9.0
UK	11,778	5.8–7.7	6.6	7.8–9.7	8.6
Ireland	1,725	6.0–7.0	6.5	8.0–9.0	8.5
Other	3,798	5.3–7.2	6.2	7.3–9.2	8.0
Total	**60,290**	**4.5–10.0**	**6.1**	**6.5–12.0**	**8.1**

▶▶ Note E1, cont.

Sensitivity analysis

The sensitivity analysis below shows how a +/–1 percentage point change in a parameter affects the value of the investment properties in isolation. The sensitivity analysis is to be interpreted with caution, however, since changes in net operating income and valuation yield are often correlated, thereby leading to changes in multiple parameters simultaneously.

SENSITIVITY ANALYSIS – FAIR VALUE

	Change	Effect on value 2025, MSEK	Effect on value 2024, MSEK
Valuation yield	+/–0.5 pp	–5,690 / +6,674	–4,548 / +5,357
Change in exchange rates	+/–1%	+/–605	+/–443
Rental income	+/–1%	+/-625	+/–608
Discount rate [1)]	+/–0.5 pp	–4,399/+4,966	–3,500 / +3,960
Net operating income [1]	+/–1%	+/–587	+/–569

[1)] The value relates to the level at the end of 2025 based on 31 revenue-based leases without a contractual minimum level and 131 revenue-based leases with a contractual minimum level that generated variable rent above the minimum level. In leases with a contractual minimum rent level, revenue-based rent is generated only once cumulative rent exceeds the minimum level.

In revenue-based leases without a minimum rent level the rental income is directly affected by a change in RevPAR. For revenue-based leases with a contractual minimum rent level, variable rent is only paid when the cumulative total rent exceeds the cumulative minimum rent; only then is rental income affected by a change in RevPAR. Fixed rent agreements are normally index-linked on an annual basis.

The sensitivity analysis is based on the simplified assumption that a change in rental income is perpetual.

EFFECT OF REVPAR CHANGE AS OF 31 DECEMBER 2025:

Investment properties, effect on revenues	Change	Revenue effect, MSEK
RevPAR (assuming a 50/50 split between occupancy and rate)	+/– 1%	+/– 31

The hotel properties mainly contain spaces for hotel purposes, which are fully leased (Leases) or operated by Pandox itself (Own Operations) and thus have a void rate of 0 percent. Other spaces in premises, such as retail and office spaces, made up around 1.0 percent of the total property space in 2025 and had a void rate of around 6 percent. Overall, therefore, the total void rate for Pandox's property portfolio was around 0.1 percent in 2025.

Significant commitments for investments in hotel properties

At the end of the fourth quarter of 2025, approved investments for ongoing and future projects amounted to around MSEK 1,893, of which around MSEK 1,215 is expected to be implemented during 2026. In 2025 total investments and maintenance amounted to around MSEK 619 and MSEK 73 respectively.

Major ongoing and future projects include Quality Hotel Luleå, Scandic St Jörgen, Hilton Slussen, Radisson Blu Tromsø, Leonardo Inverness, Leonardo Cork, Leonardo Leeds, Pullman Cologne, Clayton Cardiff Lane, the conversion of an office building into a hotel in Edinburgh as well as the joint investment programme with Scandic.

SPECIFICATION OF PROPERTY REVENUE AND RELATED COSTS

MSEK	2025	2024	2023
Hotel rents			
Fixed rent	250	216	226
Revenue-based rent in leases without a contractual minimum level	651	528	615
Minimum rent in leases with a contractual minimum level	2,266	2,178	1,989
Revenue-based rent in leases with a contractual minimum level	704	747	661
Total hotel rents	**3,871**	**3,669**	**3,492**
Other property revenue			
Other rent (commercial premises, shops, mobile phone masts etc.)	64	59	57
Other revenue (supplements, assistance/relief etc.)	163	136	141
Total other property revenue	**227**	**195**	**198**
Total property revenue	**4,098**	**3,864**	**3,690**
Direct costs for investment properties that generated rental income during the period (operating and maintenance costs, property tax and site leasehold rent)[1)]	–305	–298	–291

[1)] Excluding property administration and insurance costs.

Investment properties are recognised using the fair value method. Investment properties are properties owned for the purpose of obtaining rental income, an appreciation in value or a combination of both. Regarding operating properties, i.e. properties where Pandox also acts as hotel operator, see Note E2. The table below shows the change in the fair value of investment properties:

CHANGE IN VALUE – INVESTMENT PROPERTIES

MSEK	2025	2024
Investment properties, opening balance (1 January)	60,290	57,226
+ Acquisitions	18,950	0
+ Investments in existing portfolio	619	732
– Disposals/divestments	–147	–69
+/– Reclassifications	212	—
+/– Unrealised change in value	600	608
+/– Change in exchange rates	–3,354	1,793
Investment properties, closing balance (31 December)	**77,170**	**60,290**

E2 OPERATING PROPERTIES

§ ACCOUNTING PRINCIPLES

The properties used in Own Operations are classified as operating properties. Operating properties are recognised at cost less depreciation and any impairment losses in accordance with IAS 16.

The operating properties consist of a number of components with varying useful lives. The main division is into buildings and land. There is no depreciation of the land component as its useful life is deemed to be unlimited.

Further expenditures are added to cost only if it is likely that the future economic benefits associated with the asset will accrue to the Company and the cost can be reliably calculated. All other further expenditures are expensed in the period when they arise.

A further expenditure is added to cost if the expenditure is related to replacement of identified components or parts thereof. In cases where a new component is created, this expenditure is also added to cost. Any undepreciated carrying amounts for replaced components, or parts of components, are disposed of and expensed at the time of the replacement. Repairs are expensed on a continuous basis. Depreciation periods are between three years and 200 years, depending on the component.

The following main groups of components have been identified and form the basis for the depreciation of buildings, the straight line method of depreciation being applied:

– Frame	150–200 years
– Roof	50 years
– Facade	50 years
– Interior surfaces	20 years
– Installations	25 years
– Bathrooms	25 years
– Special adaptations	50 years
– Fixtures and fittings	15–25 years
– Land improvements	28 years
– Furniture, fixtures and equipment	3–25 years

The depreciation methods, residual values and useful lives used are reassessed at the end of each year.

GROUP

MSEK	31 Dec 2025	31 Dec 2024
Buildings		
Cost, opening balance	11,519	8,353
Reclassification	–219	–6
Acquisitions	9	3,292
Divestments	—	–634
Investments	96	33
Impairment	—	–25
Reclassification from construction/reconstruction work in progress	187	17
Translation difference	–946	489
Accumulated cost, closing balance	**10,646**	**11,519**
Depreciation, opening balance	–1,401	–1,337
Reclassification	51	0
Divestments	—	163
Sales/disposals	—	—
Depreciation for the year	–217	–176
Translation difference	96	–51
Accumulated depreciation, closing balance	**–1,471**	**–1,401**
Residual value according to plan, buildings	**9,175**	**10,118**
Land		
Cost, opening balance	1,376	836
Reclassification	–11	—
Acquisitions/divestments	—	495
Translation difference	–108	45
Accumulated cost, land, closing balance	**1,257**	**1,376**
Total residual value according to plan, closing balance	**10,432**	**11,494**
Work in progress, operating properties		
Cost, opening balance	630	421
Reclassification	–18	—
Investments	239	213
Sales/disposals	—	—
Reclassification from construction/reconstruction work in progress	–238	–29
Translation difference	–46	25
Cost, work in progress, closing balance	**567**	**630**
Total, operating properties	**10,999**	**12,124**

The fair value (market value) of the operating properties exceeds their cost and is shown below. See Note E1 for the fair value measurement model.

MSEK	31 Dec 2025	31 Dec 2024
Market value, operating properties (incl. furniture, fixtures and equipment)	14,573	16,044

EFFECT OF REVPAR CHANGE AS OF 31 DECEMBER 2025:

Operating properties, effect on revenues	Change	Revenue effect, MSEK
RevPAR (assuming a 50/50 split between occupancy and rate)	+/–1%	+/–29

CHANGE IN VALUE – OPERATING PROPERTIES, REPORTED FOR INFORMATION PURPOSES ONLY

	MSEK
Operating properties, opening balance (1 January 2024)	16,044
+ Acquisitions	4
+ Investments in existing portfolio	465
– Divestments	—
+/– Reclassifications	–212
+/– Change in value	–483
+/– Change in exchange rates	–1,245
Operating properties, closing balance (31 December 2025)	**14,573**

Significant commitments for investments in hotel properties

At the end of the fourth quarter of 2025, approved investments for ongoing and future projects amounted to around MSEK 757, of which around MSEK 415 is expected to be implemented during 2026. In 2025 total investments and maintenance amounted to around MSEK 465 and MSEK 104 respectively.

Major ongoing and future projects include Hotel Mayfair, DoubleTree by Hilton Brussels City, Radisson Blu Glasgow, DoubleTree by Hilton Edinburgh, the Residence Inn properties in London and the green investment programme for Scope 1 and 2.

E3 FURNITURE, FIXTURES AND EQUIPMENT

§ ACCOUNTING PRINCIPLES

Property, plant and equipment are recognised within the Group at cost minus accumulated depreciation and any impairment losses. Cost includes the purchase price plus expenses directly attributable to the asset in order to bring it to the location and condition to be used in the manner intended when it was purchased. The carrying amount of a property, plant and equipment item is removed from the statement of financial position when an item is disposed of or divested, or when no further economic benefits are expected from the use or disposal/divestment of the asset. Gains or losses arising from divestment or disposal of an asset consist of differences between the selling price and the asset's carrying amount minus direct costs to sell.

Depreciation principles
Depreciation occurs on a straight line basis over the estimated useful life of the asset:
– Machinery and furniture, fixtures and equipment 3–15 years

Further expenditures
Further expenditures are added to cost only if it is likely that the future economic benefits associated with the asset will accrue to the Company and the cost can be reliably calculated. All other further expenditures are expensed in the period when they arise.

Parent Company
Non-current assets for the Parent Company are recognised at cost after deducting accumulated depreciation and any impairment losses in the same way as for the Group, but with the addition of any appreciation.

	Group		Parent Company	
MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Cost, opening balance	1,342	1,419	23	23
Acquisitions	—	—	—	—
Divestments	—	–200	—	—
Investments	132	47	3	0
Reclassification from work in progress	51	12	—	—
Sales/disposals	—	—	—	—
Reclassifications	100	6	—	—
Translation differences	–100	58	—	—
Accumulated cost, closing balance	**1,525**	**1,342**	**26**	**23**
Depreciation, opening balance	–820	–839	–14	–12
Depreciation for the year	–104	–100	–3	–2
Sales/disposals	—	150	—	—
Reclassifications	12	0	—	—
Translation differences	54	–31	—	—
Accumulated depreciation, closing balance	**–858**	**–820**	**–17**	**–14**
Residual value according to plan	**667**	**522**	**9**	**9**

E4 TRADE ACCOUNTS RECEIVABLE

Consists of rent receivables within Leases and trade accounts receivable within Own Operations. As of 31 December 2025 total rent receivables and trade accounts receivable amounted to MSEK 383 (419).

E5 OTHER NON-CURRENT RECEIVABLES

	Group		Parent Company	
MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Endowment policies	31	29	31	29
Prepaid compensation for land use	4	5	—	—
Other non-current receivables	56	59	—	—
Total	**91**	**93**	**31**	**29**

E6 PREPAID EXPENSES AND ACCRUED INCOME

	Group		Parent Company	
MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Prepaid expenses	134	189	9	67
Accrued rental income	508	470	—	—
Total	**642**	**659**	**9**	**67**

E7 ASSETS AND LIABILITIES HELD FOR SALE

GROUP

MSEK	31 Dec 2025	31 Dec 2024
Assets		
Operating property Crowne Plaza Antwerp	195	20
Assets held for sale, Scandic[1)]	14,843	—
Assets classified as held for sale	**15,038**	**20**
Liabilities		
Liabilities held for sale, Scandic[1)]	14,451	—
Liabilities classified as held for sale	**14,451**	—

[1)] For more information on assets and liabilities held for sale see Note H2.

F Operating liabilities

F1 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Prepaid rent	237	251	—	—
Accrued interest expense	220	169	17	16
Accrued property tax	0	5	—	—
Accrued employee costs	102	137	35	65
Other prepaid income	96	117	—	—
Accrued property costs	188	123	—	—
Other accrued costs	379	130	—	—
Other	30	27	17	25
Total	**1,251**	**959**	**69**	**106**

F2 PROVISIONS

§ ACCOUNTING PRINCIPLES

A provision differs from other liabilities in that there is uncertainty concerning the time of payment or the sum required for settlement. A provision is recognised in the statement of financial position when there is an existing legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required to settle the obligation and a reliable estimate of the amount can be made. Provisions are made in the amount that represents the best estimate of funds needed to settle the existing obligation on the closing day.

In the sale of properties where rent guarantees exist, the present value of the likely outflow of guarantee payments is calculated and this is recognised as a provision. Disputes may arise in the course of operating activities, but there has been no material impact on the Group's financial position.

Parent Company

Provisions are recognised on a separate line in the balance sheet for the Parent Company. The Parent Company applies the easing rule in RFR 2 in its recognition of financial guarantees, which means that IFRS 9 Financial Instruments is not applied. The Parent Company's financial guarantees mainly consist of sureties in favour of subsidiaries and are reported as contingent liabilities. Where a commitment exists for the Parent Company, the financial guarantee is instead recognised as a provision.

	Group		Parent Company	
MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024
Carrying amount at beginning of period	55	75	48	69
Provisions made during the period	64	11	50	14
Amounts used during the period	–20	–31	–13	–35
Carrying amount at end of period	**99**	**55**	**85**	**48**
– of which the long-term portion of the provisions	57	43	43	36
– of which the short-term portion of the provisions	42	12	42	12

The provisions consist of pension provisions, provisions for incentive schemes and provisions for furniture, fixtures and equipment in buildings.

The opening balance of provisions was MSEK 35 (34) for pensions, MSEK 12 (35) for incentive schemes and MSEK 8 (6) for equipment in buildings.

The change for the year was MSEK 7 for pensions, MSEK 30 for incentive schemes and MSEK 7 for equipment in buildings and other provisions.

The closing balance of provisions was MSEK 42 (35) for pensions, MSEK 42 (12) for incentive schemes and MSEK 16 (8) for equipment in buildings.

F3 PLEDGED ASSETS AND CONTINGENT LIABILITIES

§ ACCOUNTING PRINCIPLES

A contingent liability is recognised when there is a possible obligation arising from past events whose existence will be confirmed only by the occurrence of one or more uncertain future events that are outside the Group's control, or where there is an obligation that is not recognised as a liability or provision because it is not likely that an outflow of resources will be required or this cannot be estimated with sufficient reliability.

	Group		Parent Company	
MSEK	2025	2024	2025	2024
Assets pledged to credit institutions				
Assets pledged for own liabilities, properties	44,652	34,539	—	—
Bank deposits	9	9	—	—
Guarantees for employees	31	29	31	28
Total pledged assets	**44,692**	**34,577**	**31**	**28**
Contingent liabilities				
Security commitments for subsidiaries	—	—	38,543	29,793
Total contingent liabilities	**—**	**—**	**38,543**	**29,793**

Property mortgages are used as security for bank loans; the amounts above refer to outstanding bank loans for which security has been provided. Guarantees for employees refers to guarantees for endowment insurance taken out.

Contingent liabilities consist mainly of bank guarantees issued on behalf of the subsidiaries.

G Financing, capital structure and equity

G1 FINANCIAL INCOME AND EXPENSE

§ ACCOUNTING PRINCIPLES

Financial income consists of interest income on cash and cash equivalents. Interest income is recognised using the effective interest method, as the income is earned.

Financial expense consists of interest, charges and other expenses arising when Pandox takes on interest-bearing liabilities.

Exchange gains and losses are recognised as net amounts.

Derivatives are used to hedge interest rate risk. Interest payments for interest rate derivatives (interest rate swaps) are recognised as interest expense in the period to which they relate. Other changes in the fair value of interest rate derivatives are recognised on a separate line in profit or loss for the year.

Dividend income is recognised when the right to receive dividends is established at the respective subsidiaries' annual general meetings.

Parent Company

Anticipated dividends from subsidiaries are reported in cases where the Parent Company has the sole right to determine the size of the dividend and has taken a decision on the size of the dividend before publishing its financial statements.

	Group		Parent Company	
MSEK	**2025**	**2024**	**2025**	**2024**
Financial income				
Interest income	30	27	10	7
Interest income, subsidiaries	—	—	860	946
Dividend	—	—	—	122
Capital gains on divestment of subsidiaries	—	2	2	1
Currency effects	2	—	58	478
Other financial items	0	9	—	—
Total financial income	**32**	**38**	**930**	**1,554**
Financial expense				
Interest expense, loans measured at amortised cost	–1,935	–2,208	–280	–408
Net interest income/expense, interest rate derivatives measured at fair value	369	739	371	714
Interest expense, subsidiaries	—	—	–502	–580
Financial expense for right-of-use assets	–140	–119	—	—
Currency effects	—	—	–516	–72
Other financial items	–102	–121	–23	–21
Total financial expense	**–1,808**	**–1,709**	**–950**	**–367**
Net financial expense	**–1,776**	**–1,671**	**–20**	**1,187**

G2 FINANCIAL RISK AND RISK MANAGEMENT

§ ACCOUNTING PRINCIPLES

Hedging of net investment

The hedging relationship exists during a quarter, with the hedged item and the hedging instrument being identified and linked at the start of the quarter. Hedged risk is the risk that changes in the exchange rate between the foreign entity's local currency and SEK result in changes in the value of the Group's net investment when the investment is translated to SEK in the consolidated financial statements. Only loans external to the Group are used as hedging instruments. The effective portion of the currency remeasurement for the hedging instrument is recognised in other comprehensive income and accumulated in the translation reserve in equity. The ineffective portion is recognised in net financial income/expense in the income statement. The amount recognised in other comprehensive income and accumulated in the translation reserve is to be reclassified through other comprehensive income to profit or loss when Pandox fully or partly divests subsidiaries.

Hedging of net investment in foreign operations

In the consolidated financial statements Pandox is exposed to currency risk when foreign entities use a different currency to the Group's currency (SEK). The risk is hedged by taking out external loans in the local currency. The effective portion of the currency remeasurement for the hedging instrument is recognised in other comprehensive income and accumulated in the translation reserve in equity. The ineffective portion is recognised in net financial income/expense in the income statement.

Derivatives and interest rate risk

In accounting for interest rate risk, interest expense and changes in value are reported on separate lines. Interest rate swaps are used for financial hedging of forecast interest flows from borrowing at variable interest rates; in these, the Company receives variable interest and pays fixed interest. Interest rate swaps are measured at fair value in the statement of financial position. The interest coupon portion is recognised in profit for the year on an ongoing basis, as a component of interest expense. Unrealised changes in fair value on interest rate swaps are recognised through profit or loss after the financial items on the line for changes in the value of derivatives.

Through its business Pandox is exposed to various types of financial risk. Financial risk relates to fluctuation in the Company's income statement, balance sheet and cash flow. Pandox is mainly exposed to financial risks such as interest rate risk, liquidity risk, refinancing risk, currency risk and credit risk. Pandox's Financial Policy is a general framework for managing financial risk within the Group, for the purpose of providing guidelines and rules on how financial activity is to be conducted within the Pandox Group, defining financial risks and how to limit these risks, establishing a division of responsibility and administrative rules, and also serving as guidance in the day-to-day work of the CFO and Treasury. The Financial Policy is evaluated and established by the Board of Directors on an annual basis and revised as needed.

Loan agreements with credit institutions are often conditional upon the Group and the subsidiaries achieving certain predetermined key ratios and meeting certain conditions. In addition, there are certain specific reservations and restrictions in the loan agreements relating to further debt, guarantees and pledges, significant changes to the business, acquisitions and divestments etc.

Pandox's debt financing consists exclusively of credit facilities from 16 Nordic and international banks, mainly secured by mortgage collateral. Short-term credit facilities maturing in less than one year amount to MSEK 5,777. At the Group level, Pandox's financial covenants consist of loan-to-value ratio, interest coverage ratio and equity/assets ratio. In addition, several of the Group's bank loans have covenants at the portfolio level. Among other things, these measure loan-to-value ratio, interest coverage ratio and profitability in relation to debt, isolated for the underlying secured property portfolio. All of the Group's covenants were fulfilled throughout 2025 and there are no concrete indications of future covenant breaches.

Pandox's sustainability-linked loan volume as of 31 December 2025 was MSEK 19,234. The margin on the bank loans is linked to the annual outcome of three well-defined environmental, social and governance (ESG) sustainability targets. Fulfilled targets result in a margin discount and unfulfilled targets result in a margin premium. Pandox also has green loans amounting to MSEK 2,204 as of 31 December 2025, for which the underlying assets qualify as green. As long as this green classification remains in place, this entitles Pandox to a reduced margin on the loan.

Interest-bearing liabilities and loans

As of 31 December 2025 loans amounted to MSEK 48,172. Undrawn credit facilities after deducting commercial papers amounted to MSEK –63 (2,783) and the issued volume in the commercial paper programme amounted to MSEK 3,473 (1,232). The portion of the commercial paper volume that was not covered by undrawn credit facilities as of 31 December was instead covered by cash and cash equivalents. After the end of the period, cash and cash equivalents were used to repay drawn credit facilities. Interest-bearing liabilities amount to MSEK 48,235 compared to the balance sheet's MSEK 49,281. The difference relates to non-controlling interests of MSEK 1,293 (Eiendomspar's ownership interest in Bidco, see Note L1 Related party transactions) and arrangement fees for loans of MSEK 247.

Pandox has a Swedish commercial paper programme with a total framework amount of MSEK 5,000. The purpose of the programme is to reduce financing costs and also to diversify the financing structure. The issued commercial papers are backed up by existing long-term undrawn credit facilities.

DEBT OVERVIEW AND UNUTILISED CREDIT FACILITIES 31 DECEMBER 2025

MSEK	Maturing	Interest basis	Total credit limit	Utilised amount	Unutilised amount
Bank loans	0–5 years	Variable	40,273	40,273	0
Revolving credit facilities	0–3 years	Variable	7,899	4,426	3,473
Commercial paper	0–1 year	Fixed	—	3,536	–3,536
Total credit facilities			**48,172**	**48,235**	**–63**

Interest rate risk

Interest rate risk is the risk that the fair value and future cash flows will be affected by changes in market interest rates through ongoing interest expense for loans and derivatives, as well as through changes in the market value of derivatives. The interest rate risk strategy consists of a combination of short and long fixed interest periods where interest rate swaps are used to achieve the desired fixed interest period. The strategy takes into account the Company's aggregate assets and liabilities including derivatives. The interest rate strategy is expressed as a standard portfolio that defines risk limits and maximum deviation mandates for each maturity. Pandox's fixed interest periods and repayment periods are at the total levels shown below.

FIXED INTEREST/REPAYMENT PERIOD

	Average fixed interest period, years	Average interest rate, %	Repayment period, years
2025	2.1	3.9	1.9
2024	2.7	4.0	2.6

FIXED RATE MATURITY PROFILE 31 DECEMBER 2025

	Total fixed rate		Fixed rate, derivatives		
Maturity (MSEK)	Amount [1]	Share, %	Volume	Share, %	Average interest rate, derivatives %
0–2 years	28,480	59%	9,837	33%	1.4
2–4 years	10,647	22%	10,647	36%	1.5
4–6 years	4,526	9%	4,526	15%	2.1
6–8 years	4,582	9%	4,582	15%	3.1
8–10 years	—	—	—	—	—
>10 years	—	—	—	—	—
Total	**48,235**	**100%**	**29,592**	**100%**	**1.8**

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

FIXED RATE MATURITY PROFILE 31 DECEMBER 2024

	Total fixed rate		Fixed rate, derivatives		
Maturity (MSEK)	Amount [1]	Share, %	Volume	Share, %	Average interest rate, derivatives %
0–2 years	17,102	48%	7,271	28%	0.7
2–4 years	9,596	27%	9,596	37%	1.2
4–6 years	3,563	10%	3,563	14%	0.6
6–8 years	3,642	10%	3,642	14%	2.2
8–10 years	1,868	5%	1,868	7%	3.2
>10 years	—	—	—	—	—
Total	**35,771**	**100%**	**25,940**	**100%**	**1.3**

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

SENSITIVITY ANALYSIS OF CHANGES IN INTEREST RATES FOR 2025 AND 2024 RESPECTIVELY

The table below shows the change in various scenarios.

	2025		2024	
	Change	Profit before changes in value, MSEK	Change	Profit before changes in value, MSEK
Current fixed interest, change in interest rates, with derivatives	+/–1%	–/+151	+/–1%	–/+86
Current fixed interest, change in interest rates, without derivatives	+/–1%	–/+447	+/–1%	–/+345
Remeasurement of interest rate derivatives following shift in yield curves	+/–1%	+/– 887	+/–1%	+/–800

Shown above is the effect on earnings of specific changes in interest rates which, adjusted for tax, have the same effect on equity. Derivatives are recognised on an ongoing basis at fair value in the statement of financial position, and the change in value – which does not affect cash flow – is recognised in profit for the year.

Currency risk

Currency risk is the risk that fair value or future cash flows will be affected by changes in foreign currency exchange rates. Pandox reduces currency exposure in foreign investments by taking out loans in local currency. Equity is currency-hedged as needed ahead of acquisitions, investments and divestments to avoid changes in the value of equity. In general, foreign operations report both income and costs in their local currencies, which means that currency exposure resulting from current flows is limited. Loans and property investments at market value are broken down into different currencies as shown below.

▶▶ Note G2, cont.

LOAN-TO-VALUE RATIO AND LOANS BY CURRENCY 31 DECEMBER 2025

MSEK[1]	SEK	DKK	EUR	CHF	CAD	NOK	GBP	Total	Share, %	Interest rate, %[2]
Total interest-bearing liabilities	**13,288**	**2,289**	**20,399**	**513**	**0**	**1,267**	**10,478**	**48,235**	**100%**	**3.9%**
Maturing in foreign currency, %	27.5	4.7	42.3	1.1	0.0	2.6	21.7	100.0		
Average interest rate, %	3.2	2.7	3.5	1.8	0.0	5.1	5.9	3.9		
Average fixed interest period, years	1.8	0.4	2.2	0.2	0.0	1.8	2.5	2.1		
Fair value, properties	16,648	4,347	42,887	860	0	4,167	22,834	91,743		

LOAN-TO-VALUE RATIO AND LOANS BY CURRENCY 31 DECEMBER 2024

MSEK[1]	SEK	DKK	EUR	CHF	CAD	NOK	GBP	Total	Share, %	Interest rate, %[2]
Total interest-bearing liabilities	**7,484**	**2,388**	**15,900**	**548**	**0**	**923**	**8,528**	**35,771**	**100%**	**4.0%**
Maturing in foreign currency, %	20.9	6.7	44.4	1.5	0.0	2.6	23.8	100		
Average interest rate, %	3.1	3.2	3.3	3.8	0.0	4.8	6.2	4.0		
Average fixed interest period, years	2.8	0.8	2.9	0.2	0.0	3.4	3.0	2.7		
Fair value, properties	16,019	4,418	32,648	912	0	3,455	18,883	76,334		

[1] The values in the tables have been converted to MSEK.
[2] Average interest rate including bank margin; the interest is calculated on the total credit utilised.

FINANCIAL ASSETS AND LIABILITIES BY CURRENCY AT 31 DECEMBER 2025, MILLIONS IN LOCAL CURRENCY

	SEK	DKK	EUR	CHF	CAD	NOK	GBP	Total SEK
Assets	**18,670**	**4,052**	**2,940**	**77**	**1**	**4,627**	**4,262**	**111,894**
of which Financial assets	*945*	*1,009*	*173*	*1*	*1*	*4*	*51*	*2,451*
Liabilities	**19,189**	**2,012**	**1,677**	**50**	**1**	**3,294**	**2,949**	**77,981**
of which Financial liabilities	*14,893*	*1,581*	*1,308*	*44*	*0*	*945*	*1,374*	*49,770*
Effect on earnings (MSEK) +/–10% exchange rate	—	+/–60	+/–148	+/–1	+/–4	+–15	+/–138	+/–358
Effect on financial assets and liabilities (MSEK) +/–10% exchange rate	—	+/–83	–/+1,227	–/+50	+/–0	–/+86	–/+1,643	–/+3,083

FINANCIAL ASSETS AND LIABILITIES BY CURRENCY AT 31 DECEMBER 2024, MILLIONS IN LOCAL CURRENCY

	SEK	DKK	EUR	CHF	CAD	NOK	GBP	Total SEK
Assets	**18,309**	**3,877**	**2,770**	**77**	**6**	**3,599**	**1,619**	**80,689**
of which Financial assets	*1,178*	*976*	*165*	*1*	*1*	*3*	*46*	*2,937*
Liabilities	**12,380**	**1,961**	**1,633**	**51**	**1**	**3,210**	**823**	**46,994**
of which Financial liabilities	*8,015*	*1,550*	*1,306*	*45*	*0*	*947*	*666*	*36,086*
Effect on earnings (MSEK) +/–10% exchange rate	—	+/–30	+/–42	+/–3	+/–5	+/–9	+/–20	+/–93
Effect on financial assets and liabilities (MSEK) +/–10% exchange rate	—	+/–88	–/+1,310	–/+54	+/–0	+/–92	+/–858	+/–2,401

Liquidity and refinancing risk

Liquidity risk is the risk of not having sufficient funds to fulfil payment obligations when they fall due. A consolidated liquidity forecast forms the basis of the Company's borrowing or investment requirements, as well as its control of the total liquidity reserves. Pandox's liquidity reserve at year-end amounted to MSEK 1,720 (4,069) distributed as shown in the table below. After the end of the year Pandox entered into agreements for new financing of MSEK 1,500, bringing the liquidity reserves up to MSEK 3,220. In addition, Pandox entered into an agreement for a one-year extension of existing financing of MSEK 2,000.

Refinancing risk is the risk that financing cannot be obtained, or can only be obtained at considerably higher costs. To reduce refinancing risk the maturity of loans is to be spread out evenly over time, to reduce the risk of a large percentage of loans maturing at the same time.

MSEK	31 Dec 2025	31 Dec 2024
Cash and cash equivalents	1,186	1,286
Cash and cash equivalents held for sale	597	—
Unutilised credit facilities	–63	2,783
Total liquidity reserve	**1,720**	**4,069**

The maturity profile of financial liabilities is shown in the table below. Interest calculated as per terms effective at the time in question.

MATURITY PROFILE OF FINANCIAL LIABILITIES ON 31 DECEMBER 2025, MSEK

Year due	Other liabilities[1]	Loan amount[2]	Interest, loans and derivates[3]
2026	—	5,777	202
Due 0–1 month	*327*	—	—
Due 1–3 months	—	905	—
Due 3–12 months	—	*4,872*	—
2027	—	19,699	769
2028	—	21,534	867
2029	—	1,162	63
2030	—	—	—
Total	**327**	**48,172**	**1,900**

MATURITY PROFILE OF FINANCIAL LIABILITIES ON 31 DECEMBER 2024, MSEK

Year due	Other liabilities[1]	Loan amount[2]	Interest, loans and derivates[3]
2025	—	2,477	96
Due 0–1 month	*369*	—	—
Due 1–3 months	—	—	—
Due 3–12 months	—	*2,477*	—
2026	—	4,610	148
2027	—	20,860	666
2028	—	9,306	460
2029	—	1,301	68
Total	**369**	**38,554**	**1,341**

[1] Trade accounts payable and other financial liabilities normally fall due for payment within 30 days and have therefore been classified accordingly in the tables above.
[2] Excluding contractual repayments. Including unutilised amount. Contractual repayments amounted to MSEK 408 (349).
[3] Calculation based on the balance on 31 December of the respective year, interest rates in effect as of the same date and an implied annual interest expense for the various maturity periods.

Credit risk

Credit risk is the risk that Pandox's counterparty will be unable to fulfil its financial obligations to Pandox. Credit risk arises, for example, when investing surplus liquidity, when signing derivative contracts and when credit agreements are issued. The risk is spread by using multiple counterparties. Only approved counterparties are to be used. Permitted counterparties for credit facilities, revolving facilities and derivative instruments are Nordic counterparties with a minimum rating of either A– (S&P) or A3 (Moody's), or another counterparty with a minimum rating of either A (S&P) or A2 (Moody's).

Pandox has a well-diversified property portfolio characterised by well-established, stable and sound tenants, which reduces the credit risk in trade accounts receivable. A further factor that reduces the potential credit risk is Pandox's operational readiness, which means it is able to take over the operation of a property quickly if necessary and thereby secure the cash flow. The occupancy rate of Pandox's wholly owned property portfolio was close to 100 percent and vacant space consisted of retail and office premises. Provisions are made for doubtful trade accounts receivable on an individual basis, i.e. each individual customer balance is analysed in the ledger.

Capital management

Pandox's financial position is monitored primarily on the basis of loan-to-value ratio, with a target of 45–60 percent. Internal monitoring of financial position does not focus on equity. At the end of the period the net loan-to-value ratio was 52.7 (45.2) percent, excluding liabilities held for sale relating to Dalata Hotel Group plc's operating platform (see Note H2), and including non-controlling interests (Eiendomspar's ownership interest in Bidco, see Note L1 Related party transactions).

G3 FINANCIAL ASSETS AND LIABILITIES – CLASSIFICATION, FAIR VALUE AND OFFSETTING

§ ACCOUNTING PRINCIPLES

Financial instruments

Financial instruments recognised in the statement of financial position include: on the asset side, cash and cash equivalents, loans receivable, rent receivables, trade accounts receivable and derivatives; and on the liabilities side, trade accounts payable, loan liabilities and derivatives.

A financial asset or financial liability is recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument.

A financial asset is derecognised from the statement of financial position when the contractual rights are realised, expire or the Company loses control of them. The same applies to a portion of a financial asset. A financial liability is derecognised from the statement of financial position when the contractual obligation is fulfilled or otherwise extinguished.

The relevant categories are as follows:

Financial assets (and liabilities) at amortised cost
This category refers to non-derivative financial assets/liabilities with fixed or determinable payments that are not quoted in an active market. Examples of items in this category include trade accounts receivable, cash and cash equivalents, trade accounts payable and interest-bearing liabilities. These assets and liabilities are measured at amortised cost applying the effective interest method. Rent receivables and other receivables are recognised at the amounts that are expected to be received, i.e. after deductions for doubtful receivables.

Financial assets (and liabilities) at fair value through profit or loss
Financial instruments in this category are measured on an ongoing basis at fair value with changes in value recognised though profit or loss. This category includes derivative instruments. Pandox does not exercise the option to measure other financial instruments at fair value.

Financial assets/liabilities at fair value through other comprehensive income
Financial instruments in this category are measured on an ongoing basis at fair value with changes in value recognised through other comprehensive income. See also Note G2 regarding accounting principles for hedge accounting.

Other financial liabilities
Loans and other financial liabilities, e.g. trade accounts payable, are included in this category. The liabilities are measured at amortised cost applying the effective interest method.

Recognition in and derecognition from the statement of financial position
A financial asset or financial liability is recognised in the statement of financial position when the Company becomes a party to the contractual provisions of the instrument. A receivable is recognised when the Company has performed and there is a contractual obligation for the counterparty to pay, even if an invoice has not yet been sent. Trade receivables are recognised in the statement of financial position when an invoice has been sent. A liability is recognised when the counterparty has performed and there is a contractual obligation to pay, even if an invoice has not yet been received. Trade payables are recognised when an invoice is received.

A financial asset is derecognised from the statement of financial position when the contractual rights are realised, expire or the Company loses control of them. The same applies to a portion of a financial asset. A financial liability is derecognised from the statement of financial position when the contractual obligation is fulfilled or otherwise extinguished. The same applies to a portion of a financial liability. Financial assets and financial liabilities are offset and recognised as a net amount in the statement of financial position only when the Company has a legal right to offset items against each other and intends to settle these items in a net amount or to simultaneously realise the asset and settle the liability.

Acquisitions and divestments of financial assets are recognised on the transaction date, which is the date the Company undertakes to acquire or divest the asset.

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

31 DECEMBER 2025, MSEK	Category	Financial assets/liabilities at amortised cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through other comprehensive income
Other non-current receivables		91	—	—
Rent receivables and trade accounts receivable		383	—	—
Derivatives	Level 2	—	791	—
Cash and cash equivalents		1,186	—	—
Total financial assets		**1,660**	**791**	0
Non-current interest-bearing liabilities		45,503[1)]	—	—
Derivatives	Level 2	—	161	—
Current interest-bearing liabilities		3,778[1)]	—	—
Trade accounts payable		327	—	—
Total financial assets		**49,608**	**161**	0

FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

31 DECEMBER 2024, MSEK	Category	Financial assets/liabilities at amortised cost	Financial assets/liabilities at fair value through profit or loss	Financial assets/liabilities at fair value through other comprehensive income
Other non-current receivables		93	—	—
Rent receivables and trade accounts receivable		419	—	—
Derivatives	Level 2	—	1,139	—
Cash and cash equivalents		1,286	—	—
Total financial assets		**1,798**	**1,139**	—
Non-current interest-bearing liabilities		33,175[1)]	—	—
Derivatives	Level 2	—	183	—
Current interest-bearing liabilities		2,359[1)]	—	—
Trade accounts payable		369	—	—
Total financial assets		**35,903**	**183**	—

[1)] Arrangement fees of MSEK 247 (237) have reduced interest-bearing liabilities in the balance sheet.

▶▶ Note G3, cont.

Fair value of financial assets and liabilities

The financial instruments for which it is important to carefully measure fair value consist of interest-bearing liabilities and derivatives; other financial instruments either have short maturities or consist of insignificant amounts. The loans have short-term interest rates corresponding to the market interest rates on the closing day. The Company's margins on the loans are deemed to represent the margins that would be received as of the closing day. This assessment assumes that the carrying amounts of the loans are a reasonable approximation of the fair value. Derivatives, which consist of interest rate swaps, are at level 2 in the fair value hierarchy, i.e. based on directly or indirectly observable inputs for the asset or liability, with no significant inputs that are not observable market data. The fair value is based on discounted estimated future cash flows according to the terms and maturities of the contracts, based on current market rates of interest. To establish fair value, market interest rates are used for each maturity noted on the closing day.

Offsetting

The Group's interest rate derivatives are subject to the International Swaps and Derivatives Association's (ISDA) Master Agreements on netting. Under these agreements, when a counterparty cannot settle its obligations in all transactions, the agreement is cancelled and all outstanding transactions are settled in a net amount. The ISDA agreements do not fulfil the criteria for netting in the statement of financial position. Other than this, there are no master netting agreements for any of Pandox's financial instruments.

G4 EQUITY

§ ACCOUNTING PRINCIPLES

Non-controlling interests

Non-controlling interests, which consist of the share of Group companies' profit or loss and net assets not accruing to the Parent Company's shareholders, are reported as a separate item within equity. In the consolidated statement of comprehensive income the share attributable to non-controlling interests is included in comprehensive income for the year.

Earnings per share

The earnings per share calculation is based on the Group's profit for the year attributable to the owners of the Parent Company and on the weighted average number of shares outstanding during the year. At this time there are no potential ordinary shares that could result in dilution.

Equity items

Share capital

The share capital consists of 75,000,000 class A shares and 119,603,000 class B shares, totalling 194,603,000 (194,603,000) shares with a quota value of SEK 2.50 per share, making a total value of MSEK 487.

Other paid-in capital

Other paid-in capital consists of capital contributions from Pandox AB's owners in the form of new share issues and shareholder contributions.

Translation reserve

The translation reserve includes all exchange-rate differences arising in the translation of the financial statements of foreign operations that have prepared their financial statements in a currency other than the presentation currency of the Group's financial statements. The Group presents its financial statements in millions of Swedish kronor (MSEK).

Revaluation reserve

The revaluation reserve includes changes in fair value arising on the reclassification of hotel properties between Pandox's two business segments, Own Operations and Leases, as well as acquisition costs that arose before the date the acquisition was completed.

Profits brought forward including net profit for the year

Profits brought forward consist of profits earned in previous years, including net profit for the year.

Non-controlling interests

Non-controlling interests that have arisen upon the acquisition of investment properties, and the minority's share of net profit for the year and other comprehensive income reduced by the dividend paid to the minority.

Dividend

The Board of Directors is proposing a dividend of SEK 4.50 (4.25) per share, totalling around MSEK 876 (827).

Per share data

The average number of shares used to calculate earnings per share is 194,603,000. Earnings per share for the year after tax amount to SEK 16.13 (3,139,000,000 / 194,603,000).

SHARE CAPITAL HISTORY

		Change in number of shares		Number of shares after the transaction			Share capital, SEK	
Year	Event	B	A	B	A	Total	Change	Total
1994	Formation	2,500	—	2,500	—	2,500	150,000	150,000
1995	New share issue	1,250,000	—	1,252,500	—	1,252,500	75,000,000	75,150,000
1995	Bonus issue	1,247,500	—	2,500,000	—	2,500,000	74,850,000	150,000,000
1997	4:1 split	7,500,000	—	10,000,000	—	10,000,000	—	150,000,000
1998	New share issue	5,000,000	—	15,000,000	—	15,000,000	75,000,000	225,000,000
2000	New share issue	9,900,000	—	24,900,000	—	24,900,000	148,500,000	373,500,000
2013	New share issue	100,000	—	25,000,000	—	25,000,000	1,500,000	375,000,000
2015	New share series and 6:1 share split	50,000,000	75,000,000	75,000,000	75,000,000	150,000,000	—	375,000,000
2016	New share issue	7,499,999	—	82,499,999	75,000,000	157,499,999	18,749,998	393,749,998
2017	New share issue	10,000,000	—	92,499,999	75,000,000	167,499,999	25,000,000	418,749,998
2019	New share issue	16,350,000	—	108,849,999	75,000,000	183,849,999	40,875,000	459,624,998
2024	New share issue	10,753,001	—	119,603,000	75,000,000	194,603,000	26,882,502	486,507,500

Source: Euroclear, Pandox.

G5 RIGHT-OF-USE ASSETS AND LEASE LIABILITIES

§ ACCOUNTING PRINCIPLES

Pandox applies the exemption for leases where the underlying asset is of low value or the lease term is 12 months or less. The lease payment is divided between a reduction of the lease liability and interest expense, while the lease payments reported previously as external costs are replaced by depreciation/amortisation expense on the right-of-use assets. To calculate the right-of-use asset and the lease liability, Pandox applies an estimated financing cost in local currency based on the term of the various leases.

Pandox reports these as three balance sheet items: right-of-use assets, and current and non-current lease liabilities. In the income statement the financial component is recognised in net financial income/expense on the line "Financial expense for right-of-use assets".

Where applicable the implicit interest rate based on agreements is used, and for other right-of-use assets the incremental borrowing rate has been used. The rates applied range from 3.67 to 6.73 percent.

The holder of a site leasehold in Sweden has the right to use the land for a very long period; certain descriptions by municipalities state "in principle, perpetual". As a result, according to IFRS 16 the discounted value of site leasehold rents is to be recognised in the balance sheet as a perpetual right-of-use asset and lease liability. The site leasehold rent paid is recognised in full as a financial expense. Pandox also has site leaseholds or other lease agreements for land in countries other than Sweden. These agreements are structured in various ways, but are usually extended and on this basis, Pandox treats these agreements in the same way as Swedish site leaseholds.

Commercial premises are recognised at discounted value in the balance sheet as a right-of-use asset and a lease liability. In the income statement the right-of-use asset is depreciated over the lease term and payments made to the lessor/landlord are recognised partly as a reduction in lease liabilities and partly as interest expense. For commercial premises the option of extension is applicable, but since these are not deemed to be material they have not been included in the term of the lease. Lease expenses not falling within the framework of IFRS 16, including low-value leases and short-term leases, total an insignificant amount. Likewise, any variable components total an insignificant amount and are therefore not stated separately.

RIGHT-OF-USE ASSETS

MSEK	Site leaseholds	Premises	Vehicles	Other	Total
Opening balance, 1 January 2024	**2,672**	**172**	**3**	**1**	**2,848**
New leases/investments	—	—	3	—	**3**
Changed lease payment, term or interest rate	219	—	0	1	**220**
Divestments and disposals	—	—	0	0	0
Depreciation/amortisation	—	–27	–2	–1	–30
Exchange rate differences	110	6	0	0	**116**
Closing balance, 31 December 2024	**3,000**	**151**	**4**	**1**	**3,156**

MSEK	Site leaseholds	Premises	Vehicles	Other	Total
Opening balance, 1 January 2025	**3,000**	**151**	**4**	**1**	**3,156**
New leases/investments	403	4	1	1	**410**
Changed lease payment, term or interest rate	464	–56	1		**409**
Divestments and disposals	0		0		0
Depreciation/amortisation		–18	–2	–1	–21
Exchange rate differences	–189	–5	0	0	–195
Closing balance, 31 December 2025	**3,679**	**77**	**3**	**1**	**3,760**

LEASE LIABILITIES

MSEK	31 Dec 2025	31 Dec 2024
Current	21	31
Non-current	3,744	3,134
Total lease liabilities	**3,765**	**3,165**

RECOGNISED IN THE INCOME STATEMENT

MSEK	2025	2024
Financial expense for right-of-use assets[1)]	–140	–119
Depreciation of right-of-use assets – within costs of Own Operations and central administration	–21	–30

[1)] Of which site leasehold rents paid amount to MSEK 137 (112).

Total cash flow during the year attributable to right-of-use assets amounts to around MSEK 161 (148).

MATURITY ANALYSIS FOR LEASE LIABILITIES 2025

	Expected to be settled in								
	Less than 6 months	Between 6 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years	Total contractual cash flows	Carrying amount of lease liability
Lease liabilities	10	11	13	12	12	12	3,695	**3,765**	**3,765**

MATURITY ANALYSIS FOR LEASE LIABILITIES 2024

	Expected to be settled in								
	Less than 6 months	Between 6 and 12 months	Between 1 and 2 years	Between 2 and 3 years	Between 3 and 4 years	Between 4 and 5 years	More than 5 years	Total contractual cash flows	Carrying amount of lease liability
Lease liabilities	13	18	29	23	22	22	3,039	**3,165**	**3,165**

H Group structure

H1 PARTICIPATIONS IN SUBSIDIARIES

PARENT COMPANY

MSEK	31 Dec 2025	31 Dec 2024
Cost, opening balance	18,007	13,773
Acquisitions	0	4,149
Shareholder contributions provided	875	85
Total accumulated cost	**18,882**	**18,007**
Impairment losses, opening balance	–1,546	–1,546
Impairment losses	—	—
Accumulated impairment losses, closing balance	**–1,546**	**–1,546**
Closing balance	**17,336**	**16,461**

The Parent Company recognises shares in subsidiaries according to the cost method. Pandox AB has 35 directly owned companies as shown in the table below and through these owns a further 197 companies. A full list of all participations in subsidiaries is available from Pandox AB. In total the Group owns 73 companies in Sweden, 42 in Germany, 23 in the UK, 20 in Norway, 18 in the Netherlands, 17 in Finland, 13 in Belgium, 12 in Denmark, five in Ireland, four in Canada, four in Austria and one in Switzerland.

Directly owned subsidiaries	Company reg. no.	Registered office	Number of shares	Share of capital/votes
HotAB Förvaltning AB	556475-5592	Stockholm, Sweden	1,000	100
Pandox Förvaltning AB	556097-0815	Stockholm, Sweden	5,500	100
Hotab 6 AB	556473-6352	Stockholm, Sweden	1,000	100
Fastighets AB Grand Hotell i Helsingborg	556473-6329	Stockholm, Sweden	1,000	100
Pandox Fastighets AB	556473-6261	Stockholm, Sweden	1,000	100
Fastighets AB Stora Hotellet i Jönköping	556469-4064	Stockholm, Sweden	1,000	100
Pandox Belgien AB	556495-0078	Stockholm, Sweden	1,000	100
Hotellus Holding AB	556475-9446	Stockholm, Sweden	1,000	100
Fastighets AB Hotell Kramer	556473-6402	Stockholm, Sweden	1,000	100
Pandox Luxemburg AB	556515-9216	Stockholm, Sweden	10,000	100
Pandox i Halmstad AB	556549-8978	Stockholm, Sweden	1,000	100
Pandox i Borås AB	556528-0160	Stockholm, Sweden	1,000	100
Hotellus Mellansverige AB	556745-4656	Stockholm, Sweden	100,000	100
Grand i Borås Fastighets AB	556030-7083	Stockholm, Sweden	6,506	100
Hotellus International AB	556030-2506	Stockholm, Sweden	7,480,000	100
Hotellus Östersund AB	556367-3697	Stockholm, Sweden	1,000	100
Ypsilon Hotell AB	556481-4134	Stockholm, Sweden	1,000	100
Pandox Kolmården AB	556706-8316	Stockholm, Sweden	100,000	100
Hotellus Sverige Ett AB	556778-8699	Stockholm, Sweden	1,000	100
Sech Holding AB	556819-2214	Stockholm, Sweden	357,000	100
Pandox Portfölj 2 AB	556982-7040	Stockholm, Sweden	500	100
Pandox Sollentuna Centrum 12 AB	556660-3949	Stockholm, Sweden	1,000	100
Pandox Sweden AB	556942-1687	Stockholm, Sweden	500	100
Pandox Operations AB	556980-3207	Stockholm, Sweden	50,000	100

Directly owned subsidiaries	Company reg. no.	Registered office	Number of shares	Share of capital/votes
Pandox Norge Holding 2 AB	559500-0984	Stockholm, Sweden	1,000	100
Pandox Norr AB	559515-3296	Stockholm, Sweden	25,000	100
Pandox i Malmö AB	556704-3723	Malmö, Sweden	1,000	100
Hotellus Denmark A/S	28970927	Denmark	5,000	100
Le Nouveau Palace SA	0423.048.375	Belgium	3,000	99.97[1)]
Immo Hotel BCC NV	0535.679.926	Belgium	68,070	100
Pandox Royale SA	0476.704.322	Belgium	68,808	99.99[2)]
Pandox Belgium NV	0890.427.732	Belgium	100,000	99.99[3)]
Pandox RMC BVBA	0552.929.692	Belgium	1,000	99.00[4)]
Convention Hotel International AG	CHE-101.458.856	Switzerland	14,000	100
Pandox Peak Ltd	14593162	UK	1,001	100

[1)] Le Nouveau Palace SA is 0.03 percent owned by Hotellus International AB, which is wholly owned by Pandox AB (publ).
[2)] Pandox Royale SA is 0.01 percent owned by Hotellus International AB, which is wholly owned by Pandox AB (publ).
[3)] Pandox Belgium NV is 0.01 percent owned by Hotellus International AB, which is wholly owned by Pandox AB (publ).
[4)] Pandox RMC BVBA is 1 percent owned by Hotellus International AB, which is wholly owned by Pandox AB (publ).

H2 DISCLOSURES CONCERNING ACQUISITION OF DALATA HOTEL GROUP PLC

§ ACCOUNTING PRINCIPLES

IFRS 3 requires a business combination to be accounted for using the acquisition method, which means that identifiable assets and liabilities are measured at fair value on the acquisition date. Transaction costs incurred in connection with Pandox acquiring control of the business are reported in the income statement in line with IFRS 3. Pandox has applied IFRS 3 by measuring the acquired assets and related liabilities at fair value at the takeover date of 7 November 2025, and recognising negative goodwill as an acquisition result in the income statement. Acquired hotel operations and associated balance sheet items are classified according to the purpose of the acquisition based on the agreement entered into, and in accordance with IFRS 5 as assets and liabilities held for sale.

Background

On 15 July 2025 Pandox announced a recommended cash offer of EUR 6.45 per share for the listed company Dalata Hotel Group plc (Dalata), through a consortium consisting of Pandox AB (Pandox) and Eiendomsspar AS (Eiendomsspar), with Pandox's subsidiary Pandox Ireland Tuck Limited (Bidco) as the acquiring company. Pandox's and Eiendomsspar's ownership shares in Bidco are 91.2 and 8.8 percent respectively. The acquisition was completed on 7 November 2025.

Eiendomsspar AS

Eiendomsspar is participating in the transaction by contributing its existing shareholding in Dalata and by co-financing the cash offer jointly with Pandox. See also Note L1.

Acquisition cost

The purchase consideration amounts to around MEUR 1,364, equivalent to around MSEK 15,096. As of 31 December 2025 the transaction costs amounted to MEUR 36, equivalent to around MSEK 392 (see breakdown below). Dalata's net debt as of the acquisition date was around MEUR 291, equivalent to around MSEK 3,221.

Acquisition financing

The acquisition is fully financed through a combination of an acquisition facility of MEUR 1,165, other existing credit facilities, and cash and cash equivalents.

Transaction costs

Non-recurring acquisition-related costs of around MSEK –151 which were incurred in the acquisition of the minority holding, i.e. before the completion of the acquisition on 7 November 2025, are included in the acquisition cost of the minority holding, which in the third quarter and for part of the fourth quarter of 2025 were remeasured to fair value in equity. Transaction costs after completion of the acquisition equivalent to around MSEK –241 were expensed and charged to earnings in the fourth quarter of 2025.

Acquired operations

As of 30 September 2025 Pandox and Eiendomsspar controlled 27.3 percent of the outstanding shares in Dalata, and the holding was recognised as a financial investment in the interim report. The acquisition was completed in the fourth quarter of 2025 (acquisition date 7 November), at which point Pandox, through its acquiring subsidiary (Bidco), became the owner of 91.2 percent of the business and Eiendomsspar received a minority holding of 8.8 percent in Bidco. Dalata is reported as a business combination and is consolidated into the Pandox Group as of 7 November 2025. The acquisition involves Dalata's business operations, and after splitting Dalata's business into a property ownership side and a hotel operations side, Pandox will retain 31 investment properties in Ireland and the UK. Scandic is expected to acquire the operating platform with its 56 hotel operations, mainly under the Clayton and Maldron brands. There is also one additional investment property in Edinburgh, which is being converted into a hotel.

During the phase in which the split takes place, Scandic will be responsible for the operation of all 56 Dalata hotels through management agreements. Upon completion of the split, Scandic is expected to pay MEUR 500 adjusted for cash, working capital and the earnings from the hotel operations since 7 November 2025. The intention is that Scandic will acquire the operating platform after Dalata's business is split as planned in the second half of 2026.

Dalata's gross profit

In the fourth quarter of 2025 the rental income and gross profit/net operating income from Dalata amounted to the equivalent of around MSEK 146 and around MSEK 138 respectively. The anticipated annual rental income is expected to amount to the equivalent of around MSEK 1,145 (EUR/SEK 10.55) and is recognised in the Leases business segment from the takeover date, with an estimated profitability in line with Pandox's existing leases in the UK and Ireland.

Acquired assets and liabilities as well as acquisition result for Dalata (negative goodwill)

The investment properties acquired by Pandox amount to MEUR 1,563 in total as of 31 December, equivalent to MSEK 16,910. Over and above this is a deferred tax liability of MEUR 171, equivalent to MSEK 1,847.

The fair value of the hotel operations at the time of the acquisition is the net figure after the purchase consideration for acquired net assets, MEUR 175, and is adjusted for the estimated costs of carrying out a sale of the hotel operations to Scandic of MEUR –31. Negative goodwill amounts to MEUR 144, corresponding to MSEK 1,598, and has been recognised in the income statement as "Acquisition result Dalata". See the following table for a summary as at the acquisition date:

	MEUR*
Purchase consideration	–1,364
Acquired 31 properties*	1,525
Acquired property in Edinburgh, under conversion to hotel*	34
Deferred tax liabilities	–171
Net Pandox	**25**
Scandic net assets and liabilities held for sale	151
Surplus	**175**
Estimated selling costs	–31
Acquisition result (negative goodwill), MEUR	**144**
Acquisition result (negative goodwill), MSEK	**1,598**

* GBP/EUR exchange rate at the date of acquisition for those properties whose functional currency is GBP.

Selling costs

The acquisition result for Dalata takes into account the selling costs for completing the transaction, which are estimated at MEUR –31.

Financial reporting

Until the divestment of the hotel operations is completed, this is recognised as "Profit from discontinued operations" and does not affect the profit of Pandox's Own Operations segment. The balance sheet items, excluding the properties and associated items, are recognised as "Assets and liabilities held for sale". No material effect on Pandox's profits is expected to be recognised under "Profit from discontinued operations".

I Cash flow statement

I1 SPECIFICATION OF CASH FLOWS FOR THE GROUP

§ ACCOUNTING PRINCIPLES

Cash and cash equivalents consist of bank balances. Pandox presents its cash flow statement using the indirect method. The indirect method starts with profit for the year before tax and makes adjustments for non-cash income and expense items and for changes in working capital. On the acquisition or sale of companies only the cash effect is reported. Cash transactions resulting from the Company's financing are reported in cash flow from financing activities.

GROUP

MSEK	2025	2024
Acquisition of hotel properties and other business entities		
Acquired assets and liabilities		
Investment properties	19,233	—
Operating properties	4	3,790
Current receivables	10,995	65
Cash and cash equivalents	0	32
Total assets	**30,232**	**3,887**
Deferred tax	1,889	73
Current liabilities	13,398	96
Total liabilities	**15,287**	**169**
Purchase consideration:		
Purchase consideration paid	15,860	3,794
Less: Cash and cash equivalents in the acquired operations	0	–32
Effect on cash and cash equivalents	**15,860**	**3,762**
Divestment of subsidiaries and other business entities		
Divested assets and liabilities		
Investment properties	137	69
Current receivables	0	617
	137	**686**
Non-current liabilities	2	—
Deferred tax	1	—
Current liabilities	2	9
Total liabilities	**5**	**9**
Selling price:		
Purchase consideration received	148	674
Less: Cash and cash equivalents in the divested operation	1	6
Effect on cash and cash equivalents	**149**	**680**

Reconciliation of liabilities arising from financing activities:

LIABILITIES TO CREDIT INSTITUTIONS

MSEK	31 Dec 2025	31 Dec 2024
Opening balance	35,534	32,770
Cash flow	14,600	1,477
Exchange rate differences	–2,146	1,287
Liabilities, closing balance	**47,988**	**35,534**

Other items not included in cash flow

MSEK	2025	2024
Accrual accounting of loan arrangement fees	98	80
Provisions	45	–20
Acquisition-related items	241	—
Capitalised interest	64	–23
Translation differences	343	–155
Other	–13	–9
Total other items not included in cash flow	**778**	**–127**

J Parent Company accounting principles and supplementary disclosures

J1 PARENT COMPANY ACCOUNTING PRINCIPLES

Parent Company accounting principles

The Parent Company's annual accounts are prepared in accordance with the Swedish Annual Accounts Act (1995:1554), Swedish Financial Reporting Board recommendation RFR 2 (Accounting for Legal Entities) and the statements issued by the Swedish Financial Reporting Board (UFR). RFR 2 requires the Parent Company to apply all EU-adopted IFRS standards and statements as far as this is possible within the framework of the Swedish Annual Accounts Act and the Swedish Pension Obligations Vesting Act, and taking into account the connection between reporting and taxation. The recommendation states the exceptions from and additions to IFRS that must be made. These are described below.

Differences between the Group's and the Parent Company's accounting principles

Classification and presentation

The Parent Company's annual accounts include an income statement and balance sheet in accordance with Chapter 9 of the Swedish Annual Accounts Act. They are presented according to the presentation schedule in this Act. The differences between the Parent Company's income statement and balance sheet and the Group's financial statements mainly relate to reporting of financial income and expense, non-current assets and equity, and provisions appearing as a separate heading in the balance sheet.

Assets and liabilities held for sale

Non-current assets held for sale and discontinued operations are not disclosed separately in the Parent Company's income statement and balance sheet since the Parent Company complies with the income statement and balance sheet format set out in the Swedish Annual Accounts Act. Information regarding non-current assets held for sale and discontinued operations is disclosed in the notes instead. Depreciation and amortisation are applied in accordance with the Annual Accounts Act.

Financial instruments

Due to the connection between reporting and taxation, the rules for financial instruments and hedge accounting in IFRS 9 are not applied in the Parent Company as a legal entity.

The Parent Company's non-current financial assets are measured at cost less any impairment losses, and current financial assets are measured according to the lowest cost principle. The cost of interest-bearing instruments is adjusted for the accrued difference between the amount originally paid, after deducting transaction costs, and the amount paid on the maturity date (premium or discount).

Interest rate swaps that effectively hedge cash-flow risk in interest payments on liabilities are measured at the net of the accrued receivable at variable interest and accrued liability at fixed interest, with the difference recognised as interest expense or interest income. Hedging is effective if the financial substance of the hedge and the liability are the same as if the liability had instead been recognised at a fixed market interest rate when the hedging relationship was entered into. Any premium paid for the swap agreement is accrued as interest over the term of the agreement.

Participations in subsidiaries

The Parent Company recognises participations in subsidiaries according to the cost method, whereby transaction expenses are included in the carrying amount of holdings in subsidiaries. Contingent consideration is measured based on the likelihood that the consideration will be paid. Any changes in provisions/receivables are added to/subtracted from cost. The value of shares in subsidiaries is reassessed if impairment is indicated.

Group contributions

Group contributions are recognised as year-end appropriations in the income statement for the Parent Company.

Recognition of leases

Lease payments are expensed on a straight line basis over the term of the lease. Right-of-use assets and lease liabilities are therefore not recognised in the balance sheet.

J2 CURRENT AND NON-CURRENT LIABILITIES, PARENT COMPANY

PARENT COMPANY

MSEK	2025	2024
Liabilities to credit institutions due within 12 months	1,152	1,288
Liabilities to credit institutions due in 1–4 years	8,494	3,458
Liabilities to credit institutions due in 5 years or later	—	—
Total current and non-current liabilities[1)]	**9,646**	**4,746**

[1)] Arrangement fees of MSEK –27 (–15) have reduced the interest-bearing liability in the balance sheet.

J3 APPROPRIATION OF PROFIT

At the disposal of the Annual General Meeting:

Retained earnings	9,451,998,692
Profit for the year	664,908,319
SEK	**10,116,907,011**
The Board proposes that the earnings be allocated as follows:	
Dividend to shareholders, SEK 4.50 per share:	875,713,500
Carried forward	9,241,193,511
SEK	**10,116,907,011**

J4 YEAR-END APPROPRIATIONS PARENT COMPANY

PARENT COMPANY

MSEK	2025	2024
Group contributions	855	135
Change in untaxed reserves	0	0
Total year-end appropriations	**855**	**135**

K Events after the closing day

K1 EVENTS AFTER THE CLOSING DAY

No events or transactions of significance have taken place since 31 December 2025 that affect the financial statements provided for the Pandox Group for the 2025 financial year.

L Related party transactions

L1 RELATED PARTY TRANSACTIONS

Related companies are defined as the subsidiaries in the Pandox Group and companies over which related physical persons have a controlling, joint controlling or significant influence. Related persons include board members, senior executives and close family members of these. Pandox AB has three main owners: Eiendomsspar Sverige A/S, Christian Sundt AB and Helene Sundt AB. The Parent Company is a related party of its subsidiaries. Conflicts of interest affecting the Board of Directors are dealt with prior to each board meeting by analysing whether any item on the agenda could involve a conflict of interests. If so, the minutes of the meeting will record how the conflict of interest in question is being managed, e.g. a Board member declares an interest and therefore does not participate in the discussion or item concerned.

Certain dividend restrictions apply in a few of the subsidiaries' credit agreements. Disclosures concerning remuneration to key individuals in senior positions can be found in Note C7. Disclosures concerning subsidiaries can be found in Note H1.

Group-internal transactions are entered into on market terms. The transactions entail allocation of central administration costs and interest relating to financial receivables and liabilities.

Pandox's principal shareholder Eiendomsspar A/S (Eiendomsspar) has an ownership interest in Bidco of 8.8 percent, amounting to MEUR 120, corresponding to MSEK 1,293, as a financial investment. At the end of the period this is classified as a long-term interest-bearing liability for Pandox. The liability is intended to be settled when Pandox is expected to acquire the ownership interest, at which point Pandox will own 100 percent of Bidco. Until Pandox's acquisition of the ownership interest, Eiendomsspar has a non-controlling interest in Bidco's profit/loss.

Eiendomsspar AS owns 5.1 percent of 31 properties in Germany and 9.9 percent of a further hotel property in Germany. The properties were acquired by Pandox in 2015, 2016 and 2019. In the fourth quarter of 2025, Eiendomsspar AS acquired 5.1 percent of nine hotel properties in Germany from an external party. Pandox has a management agreement for Pelican Bay Lucaya Resort in the Bahamas, which is owned by affiliates of Helene Sundt AS and CGS Holding AS. During January–December 2025, revenue from Pelican Bay Lucaya amounted to MSEK 1.5 (1.4).

Parent Company

The Parent Company's fees for central administrative services from Group companies during the year amounted to MSEK 142 (105). No other purchases were made between the Parent Company and its Group companies.

TRANSACTIONS BETWEEN THE PARENT COMPANY AND RELATED PARTIES

Parent Company MSEK	31 Dec 2025	31 Dec 2024
Central administration costs	142	105
Interest income from subsidiaries	860	946
Dividends from subsidiaries	—	112
Interest paid to subsidiaries	–503	–580
Receivables from related parties	15,843	9,192
Liabilities to related parties	8,070	5,285
Group contributions received	957	425
Group contributions provided	–102	–290

Signing of the Annual Report

The Board and CEO hereby provide an assurance that the consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and provide a fair representation of the Group's position and results. The Annual Report has been prepared in accordance with generally accepted accounting principles and provides a fair representation of the Parent Company's position and results. The Administration Report for the Group and the Parent Company provides a fair representation of operations in the Group and the Parent Company, their position and results, and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

The Board and CEO further provide assurance that the sustainability report for the Group has been prepared in accordance with Chapter 6, Sections 12–12f of the Annual Accounts Act and in accordance with the adopted European Sustainability Reporting Standards ("ESRS") and the EU Taxonomy Regulation.

Stockholm, 11 March 2026

The Annual report was approved and signed by all 11 March 2026

Christian Ringnes
Chair

Jon Rasmus Aurdal
Board member

Jeanette Dyhre Kvisvik
Board member

Bengt Kjell
Board member

Jakob Iqbal
Board member

Ulrika Danielsson
Board member

Liia Nõu
Chief Executive Officer

Our auditors' report in respect of this annual report and
the consolidated accounts was submitted on 11 March 2026.
Our limited assurance report of the sustainability report was submitted on March 11, 2026.

Öhrlings PricewaterhouseCoopers AB

Sofia Götmar-Blomstedt
Authorised Public Accountant
Auditor-in-charge

Linda Andersson
Authorised Public Accountant

Auditors' report

Unofficial translation

To the general meeting of the shareholders of Pandox AB, corporate identity number 556030-7885

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of Pandox AB for the year 2025 except for the sustainability report on pages 94-157. The annual accounts and consolidated accounts of the company are included on pages 91-192 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of parent company as of 31 December 2025 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2025 and their financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the sustainability report on pages 94-157, respectively. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014/EU) Article 11.

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014/EU) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Our audit approach

Audit scope

We designed our audit by determining materiality and assessing the risks of material misstatement in the consolidated financial statements. In particular, we considered where the Board of Directors and the Managing Director made subjective judgements; for example, in respect of significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including among other matters consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

We tailored the scope of our audit in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the structure of the group, the accounting processes and controls, and the industry in which the group operates.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall group materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures and to evaluate the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

Key audit matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matter	How our audit addressed the key audit matter
Valuation of hotel properties *We refer to the Management Report and Note E1 Management Properties.* The market value of the management properties amounts to SEK 77,170 million as of December 31, 2025. The management properties constitute a significant part of the balance sheet and the valuation of these is inherently subjective and subject to management's assessments of future rental income and yield requirements, based on the location and condition of the specific property and other information that provides indications of market expectations. The fair value of the properties is determined and assessed with the support of a cash flow model with a calculation period of 10 years. Discounting is done with the market's yield requirements which are derived from sales of comparable properties. Pandox's hotel lease agreements are mainly turnover-based, which means that the hotel operator's turnover has a direct impact on the size of the rental income. When assessing the future earning capacity of a hotel property, the underlying revenues in the operator's (tenant's) operations are calculated, taking into account and analyzing the market situation with a focus on the supply of hotel rooms. External valuations are generally carried out annually for all properties. The external valuations are an important reference point for Pandox's valuation model and differences between the own valuation and the external valuation obtained are analyzed in order to challenge the model and the assumptions made. The importance of the estimates and assessments included in determining the fair value, together with the fact that only a small percentage difference in the parameters of individual properties can lead to material errors, makes the valuation of investment properties a Key audit matter in the audit.	Our audit has focused, among other things, on the company's internal control and the quality assurance in place regarding valuations of the hotel properties as of the 2025 annual accounts. We have, among other things, performed the following review efforts: • The Group Audit Team, including our valuation specialists, has obtained and reviewed a selection of the valuation reports and reviewed that the valuations follow the valuation guidelines decided by the board and are prepared according to a reasonable valuation method. • We have evaluated the competence and experience of the internal and external valuers to assess whether there were any circumstances that could have affected their objectivity and lead to limitations in their work. • In order to assess whether the information that forms the basis for the property valuations is correct and accurate, we have reviewed management's input data to the valuation models on a sample basis. • We have made inquiries about and discussed important assumptions in meetings with those responsible for valuations. Our work has focused on assessing and evaluating the assumptions used, including yield requirements and estimated future cash flows. We have reviewed a selection of properties spread across different geographical markets. The most significant assumptions and the properties where there have been the largest variations in value compared to previous quarters and years have been included in our review sample. In cases where assumptions and parameters have been outside our initial expectations, these deviations have been discussed with representatives of the company and additional audit evidence has been obtained to support the assumptions used. I årsredovisningens införda upplysningar har jämförts med rapporteringskrav enligt IFRS 13. • The information included in the annual report has been compared with reporting requirements according to IFRS 13. The valuations are based on assessments and are by nature subject to inherent uncertainty. Based on our review, our assessment is that the assumptions used by Pandox are within a reasonable range.

Key audit matter	How our audit addressed the key audit matter
Accounting and valuation of the Dalata Acquisition *We refer to the Administration Report and Note H2.* Disclosures on the acquisition of Dalata Hotel Group PLC Pandox acquired the listed company Dalata Hotel Group Plc (Dalata) on 7 November 2025 for the equivalent of MSEK 15,096 and recognised transaction costs of MSEK 241. The acquisition resulted in an Acquisition result (negative goodwill recognised as income) of MSEK 1,598. The acquisition thus has a significant impact on both Pandox's balance sheet and reported comprehensive income for 2025. The acquisition took place in stages from the second quarter of 2025 and with the related party Eiendomsspar AS as co-financier, majority ownership was obtained on 7 November 2025. According to the agreement, Scandic Hotels Group is expected, after a division of Dalata's operations, to acquire the operational operating platform with 56 hotel operator operations. Pandox retains responsibility for the management of the 31 hotel properties owned by Dalata, which is included in the agreement on the division with Scandic and corresponds to turnover-based leases and associated property commitments. During the division phase, Scandic will be responsible for the operation of Dalata's 56 hotels through a management agreement. Based on the agreement on the subsequent division between Pandox and Scandic, operational self-operating items are classified as "assets and liabilities held for sale" in the acquisition balance sheet. The division of Dalata's operations into Property Management and Hotel Operations is based on a comprehensive agreement and the valuation of identified assets in the Dalata acquisition involves significant judgments. The accounting and valuation of the acquisition is a key audit matter in light of the significance of the transaction and the significant judgments it involves.	In order to assess the accounting treatment of the acquisition and the valuation of acquired assets, our audit has included the following review elements: • Verified the purchase price against the cash payments made upon acquisition of controlling interest. • Reconciled reported transaction costs on a sample basis. • Received and reviewed the acquisition analysis presented in Note H2. • In meetings with management representatives, discussed the purpose of the acquisition and the meaning of the agreements entered into with Scandic Hotels and Eiendomsspar AS as well as future planned lease agreements for the 31 properties. • In accordance with the method described above for reviewing hotel property valuations, reviewed the valuation as of November 7 of the 31 properties that Dalata owns and assessed the calculation of the associated deferred tax based on applicable tax legislation. • Reviewed and analyzed relevant parts of the agreement governing the future division of Dalata between Scandic and Pandox and, based on the agreement, evaluated management's assessments of the fair value of acquired assets and liabilities and the classification and valuation of the hotel operations as assets held for sale. • Reviewed the Dalata Group's balance sheet as of November 7, 2025, the acquisition balance sheet against the financial statements. • Reviewed, on a sample basis, the estimated costs to implement the sale of the hotel operations. • Evaluated the completeness based on the disclosure requirements in IFRS 3 and the accuracy of the information provided in Note H2 of the annual report. Accounting and valuation of the Dalata acquisition is largely based on assessments and thus has an inherent uncertainty.

►► Auditors' report, cont.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-72, 81-90 and 199-204. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Directors responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

A further description of our responsibility for the audit of the annual accounts and consolidated accounts is available on Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor´s report.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

The auditor's examination of the administration of the company and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Pandox AB for the year 2025 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group' equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company´s organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

A further description of our responsibility for the audit of the administration is available on Swedish Inspectorate of Auditors' website: www.revisorsinspektionen.se/revisornsansvar. This description is part of the auditor's report.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Pandox AB (publ) for the financial year 2025.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is

described in more detail in the Auditors' responsibility section. We are independent of Pandox AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

Öhrlings PricewaterhouseCoopers AB, with Sofia Götmar-Blomstedt as Auditor-in-Charge, was appointed auditor of Pandox AB by the general meeting of the shareholders on the 9 April 2025 and Öhrlings PricewaterhouseCoopers AB has been the company's auditor since the 29 March 2017.

Stockholm 11 March 2026
Öhrlings PricewaterhouseCoopers AB

Sofia Götmar-Blomstedt
Authorized Public Accountant
Auditor-in-Charge

Linda Andersson
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Auditor's limited assurance report of Pandox AB (publ):s statutory sustainability statement

Unofficial translation

To the general meeting of the shareholders of Pandox AB (publ), corporate identity number 556030-7885

Conclusion

We have conducted a limited assurance engagement of the sustainability statement for Pandox AB (publ) for the financial year 2025. The sustainability statement is included on page 94-157 in this document.

Based on our limited assurance engagement as described in the section Auditor's responsibility, nothing has come to our attention that causes us to believe that the sustainability statement does not, in all material respects, meet the requirements of the Swedish Annual Accounts Act which includes,

- whether the sustainability statement meets the requirements of ESRS,
- whether the process the company has carried out to identify reported sustainability information has been conducted as described on page 100 in the section for Double materiality Analysis and Impact, risks and opportunities of the sustainability statement,
- compliance with the reporting requirements of the EU's Green Taxonomy Regulation Article 8.

Basis for conclusion

We have conducted the limited assurance engagement in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. Our responsibility according to this recommendation is further described in the section Auditor's responsibility.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion.

Other information than the sustainability statement

This document also contains other information than the sustainability statement and is found on pages 1-93, 158-192 and 199-204. The Board of Directors and the Managing Director are responsible for this other information.

Our conclusion on the sustainability statement does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our limited assurance engagement on the sustainability statement, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the sustainability statement. In this procedure we also take into account our knowledge otherwise obtained in the limited assurance engagement and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director, are responsible for the preparation of sustainability statement in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act, and for such internal control as the Board of Directors and the Managing Director determines necessary to enable the preparation of the sustainability statement that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on whether the sustainability report has been prepared in accordance with Chapter 6, Sections 12–12f of the Swedish Annual Accounts Act based on our review. The limited assurance engagement has been conducted in accordance with FAR's recommendation RevR 19 Revisorns översiktliga granskning av den lagstadgade hållbarhetsrapporten. This recommendation requires that we plan and perform our procedures to obtain limited assurance that the sustainability statement is prepared in accordance with these requirements.

The procedures in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. This means that it is not possible for us to obtain such assurance that we become aware of all significant matters that could have been identified if a reasonable assurance engagement had been performed.

Our firm applies ISQM 1 (International Standard on Quality Management), which requires the firm to design, implement and operate a system of quality management, including policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

We are independent of Pandox AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

A limited assurance engagement involves performing procedures to obtain evidence about the sustainability statement. The auditor selects the procedures to be performed, including assessing the risks of material misstatements in the sustainability statement, whether due to fraud or error. In this risk assessment, the auditor considers the parts of the internal control that are relevant to how the Board of Directors and the Managing Director prepares the sustainability statement, in order to design procedures that are appropriate under the circumstances, but not for the purpose of providing a conclusion on the effectiveness of the company's internal control. The review consists of making inquiries, primarily of persons responsible for the preparation of the sustainability statement, performing analytical review, and conducting other limited review procedures.

The review procedures primarily include:

Our procedures regarding the process that the company has implemented to identify sustainability information to be reported included, but were not limited to, the following:

- Obtaining an understanding of the process by:
  – Making inquiries to understand the sources of information used by management (e.g., stakeholder dialogues, business plans, and strategy documents); and
  – Reviewing the company's internal documentation of its process; and
- Evaluating whether the information obtained from our actions regarding the process implemented by the company is consistent with the description of the process on page 100 of the sustainability statement.

Our procedures regarding the sustainability report included, but were not limited to, the following:

- Through inquiries, obtain a general understanding of the internal control environment, reporting processes, and information systems relevant to the preparation of the information in the sustainability statement.
- Evaluate whether the information identified by the Process is included in the sustainability statement;
- Evaluate whether the structure and the presentation of the sustainability statement is in accordance with the ESRS;
- Perform inquiries of relevant personnel and analytical procedures on selected information in the sustainability statement
- Perform limited substantive assurance procedures based on a sample of selected information in the sustainability statement
- Through inquiries and analytical procedures, evaluate supporting evidence to the methods [assumptions and data] for developing significant estimates and forward-looking information;
- Obtain an understanding of the process to identify taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the sustainability statement.
- The review of taxonomy disclosures included, but was not limited to, the following review procedures:
  – Substantive testing procedures based on a sample of selected disclosures in the sustainability report regarding the EU Green Taxonomy.

Inherent limitations in preparing the sustainability statement

In reporting forward-looking information in accordance with ESRS, the Board of Directors and the Managing Director of Pandox AB (publ) are required to prepare the forward-looking information on the basis of disclosed assumptions about events that may occur in the future and possible future actions by Pandox AB (publ). Actual outcomes are likely to be different since anticipated events frequently do not occur as expected.

Stockholm 11 March 2026
Öhrlings PricewaterhouseCoopers AB

Sofia Götmar-Blomstedt
Authorized Public Accountant
Auditor-in-Charge

Linda Andersson
Authorized Public Accountant

This is a translation of the Swedish language original. In the event of any differences between this translation and the Swedish language original, the latter shall prevail.

Multiyear summary

Pandox has applied IFRS 16 Leases from 2019 onwards. Comparative figures have not been restated.

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Figures in MSEK	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Revenue Leases										
Rental income	3,935	3,728	3,548	3,052	2,279	2,228	3,017	2,809	2,121	1,717
Other property revenue	163	137	142	255	143	171	112	162	81	70
Revenue Own Operations	3,371	3,271	3,159	2,347	851	779	2,424	2,153	2,067	2,158
Net sales	**7,469**	**7,136**	**6,849**	**5,654**	**3,273**	**3,178**	**5,553**	**5,124**	**4,269**	**3,945**
Costs Leases	–519	–568	–533	–439	–395	–381	–365	–454	–321	–292
Costs Own Operations	–2,728	–2,713	–2,729	–2,111	–1,151	–1,182	–1,993	–1,776	–1,743	–1,866
Gross profit	**4,222**	**3,855**	**3,587**	**3,104**	**1,727**	**1,615**	**3,195**	**2,894**	**2,206**	**1,787**
Central administration	–236	–200	–197	–153	–157	–171	–175	–148	–124	–117
Transaction costs	–241	—	—	—	—	—	—	—	—	—
Net financial expense	–1,636	–1,552	–1,467	–1,003	–940	–900	–865	–803	–519	–456
Financial expense for right-of-use assets	–140	–119	–108	–95	–88	–86	–81	—	—	—
Profit before changes in value	**1,969**	**1,984**	**1,815**	**1,853**	**542**	**458**	**2,074**	**1,943**	**1,563**	**1,214**
Changes in value										
Change in property value	605	475	–1,107	1,180	–396	–1,779	1,459	1,495	1,914	1,460
Acquisition result Dalata	1,598	—	—	—	—	—	—	—	—	—
Change in value of derivatives	–326	–100	–1,205	2,318	740	–221	–39	25	173	–39
Profit before tax	**3,846**	**2,359**	**–497**	**5,351**	**886**	**–1,542**	**3,494**	**3,463**	**3,650**	**2,635**
Current tax	–343	–318	–375	–164	–128	–57	–122	–216	–73	–72
Deferred tax	–329	–335	292	–983	–149	191	–672	–424	–429	–349
Profit for the period – continuing operations	**3,174**	—	—	—	—	—	—	—	—	—
Profit from divested operations	0	—	—	—	—	—	—	—	—	—
Profit for the year	**3,174**	**1,706**	**–580**	**4,204**	**609**	**–1,408**	**2,700**	**2,823**	**3,148**	**2,214**
Other comprehensive income for the year	–2,121	1,035	–112	1,323	740	–1,010	46	465	–185	359
Comprehensive income for the year	**1,053**	**2,741**	**–692**	**5,527**	**1,349**	**–2,418**	**2,746**	**3,288**	**2,963**	**2,573**

KEY RATIOS

Figures in MSEK	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Net operating income Leases	3,579	3,297	3,157	2,868	2,027	2,018	2,764	2,517	1,882	1,495
Net operating income Own Operations	971	842	713	566	–22	–168	625	540	494	439
EBITDA	4,086	3,961	3,696	3,304	1,868	1,699	3,215	2,909	2,252	1,817
Interest coverage ratio, times	2.6	2.7	2.7	3.7	2.1	2.0	4.1	3.8	4.4	4.0
Earnings per share, SEK	16.13	9.04	–3.18	22.94	3.32	–7.61	15.91	16.83	19.89	14.65
Cash earnings	1,906	1,955	1,742	2,056	713	669	2,167	1,890	1,652	1,284
Cash earnings per share, before and after dilution, SEK	9.80	10.46	9.48	11.18	3.88	3.59	12.71	11.30	10.52	8.18
RevPAR (operating properties) for comparable units and comparable exchange rates	1,149	1,075	1,036	839	295	222	904	873	806	657

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures in MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016
Assets										
Properties including FF&E	88,641	72,915	66,079	65,552	60,246	57,555	60,558	52,949	48,217	36,578
Right-of-use assets	3,760	3,156	2,848	3,218	3,039	2,926	3,064	—	—	—
Other non-current assets	882	1,232	1,612	2,462	522	268	151	43	37	23
Deferred tax assets	590	347	340	305	249	631	383	465	613	748
Current assets	16,835	1,752	1,560	2,050	1,152	813	1,025	885	1,871	563
Cash and cash equivalents	1,186	1,286	769	1,630	1,593	2,622	632	674	999	517
Total assets	**111,894**	**80,688**	**73,208**	**75,217**	**66,801**	**64,815**	**65,813**	**55,016**	**51,737**	**38,429**
Equity and liabilities										
Equity	33,913	33,695	29,725	30,933	25,422	24,088	26,506	21,538	19,027	15,258
Deferred tax liabilities	8,031	5,776	5,270	5,538	4,281	4,307	4,552	3,430	3,026	2,582
Interest-bearing liabilities	49,281	35,534	32,770	33,871	32,623	31,452	29,621	27,917	26,298	18,841
Lease liabilities	3,765	3,165	2,856	3,223	3,042	2,928	3,064	—	—	—
Non-interest-bearing liabilities	16,904	2,518	2,587	1,652	1,433	2,040	2,070	2,131	3,386	1,748
Total equity and liabilities	**111,894**	**80,688**	**73,208**	**75,217**	**66,801**	**64,815**	**65,813**	**55,016**	**51,737**	**38,429**

KEY RATIOS

Figures in MSEK	31 Dec 2025	31 Dec 2024	31 Dec 2023	31 Dec 2022	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017	31 Dec 2016
Net interest-bearing debt, MSEK	48,342	34,485	32,190	32,334	31,159	29,007	29,191	27,421	25,474	18,324
Loan-to-value ratio, properties, %	52.7	45.2	46.6	46.7	49.8	48.7	46	49.7	50.8	47.9
Market value properties, MSEK	91,743	76,334	69,039	69,231	62,596	59,542	63,469	55,197	50,121	38,233
EPRA NRV per share, SEK	227.01	215.58	201.12	205.03	173.54	167.60	186.40	164.04	144.54	126.24
WAULT (investment properties), years	13.6	14.4	15.0	15.0	14.0	14.6	15.6	15.7	15.6	13.9

Quarterly data

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Figures in MSEK	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Revenue Leases								
Rental income	1,107	1,050	955	823	903	1,033	980	812
Other property revenue	41	39	52	31	39	36	29	33
Revenue Own Operations	928	883	896	664	954	804	857	656
Net sales	**2,076**	**1,972**	**1,903**	**1,518**	**1,896**	**1,873**	**1,866**	**1,501**
Costs Leases	–157	–117	–131	–114	–141	–136	–140	–151
Costs Own Operations	–701	–680	–695	–652	–764	–647	–667	–635
Gross profit	**1,218**	**1,175**	**1,077**	**752**	**991**	**1,090**	**1,059**	**715**
Central administration	–67	–59	–52	–58	–59	–42	–48	–51
Transaction costs	–241	—	—	—	—	—	—	—
Net financial expense	–442	–436	–370	–388	–387	–394	–385	–386
Financial expense for right-of-use assets	–41	–33	–35	–31	–32	–30	–29	–28
Profit before changes in value	**427**	**647**	**620**	**275**	**513**	**624**	**597**	**250**
Changes in value								
Change in property value	58	21	512	14	38	–10	413	34
Acquisition result Dalata	1,598	—	—	—	—	—	—	—
Change in value of derivatives	–10	41	–285	–72	99	–489	–8	298
Profit before tax	**2,073**	**709**	**847**	**217**	**650**	**125**	**1,002**	**582**
Current tax	–74	–111	–107	–51	–54	–115	–104	–45
Deferred tax	–293	39	–27	–48	–15	–49	–188	–83
Profit for the period – continuing operations	**1,706**	**637**	**713**	**118**	—	—	—	—
Profit from divested operations	0	—	—	—	—	—	—	—
Profit for the period	**1,706**	**637**	**713**	**118**	**581**	**–39**	**710**	**454**
Other comprehensive income	–618	–523	542	–1,522	480	–87	–227	869
Comprehensive income for the period	**1,088**	**114**	**1,255**	**–1,404**	**1,061**	**–126**	**483**	**1,323**

KEY RATIOS

Figures in MSEK	Q4 2025	Q3 2025	Q2 2025	Q1 2025	Q4 2024	Q3 2024	Q2 2024	Q1 2024
Net operating income Leases	991	972	876	740	801	933	869	694
Net operating income Own Operations	313	285	286	87	269	226	256	91
EBITDA	999	1,202	1,110	775	1,016	1,123	1,082	740
Interest coverage ratio, times	2.3	2.8	2.6	2.1	2.7	2.6	2.5	2.0
Earnings per share, SEK	8.68	3.25	3.61	0.58	2.99	–0.20	3.86	2.47
Cash earnings	403	617	587	299	541	582	560	272
Cash earnings per share, before and after dilution, SEK	2.07	3.17	3.02	1.54	2.78	3.14	3.05	1.48
RevPAR growth (Own Operations) for comparable units and comparable exchange rates, %	3	–3	–3	–3	3	8	8	6

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Figures in MSEK	31 Dec 2025	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
Assets								
Properties including FF&E	88,641	72,913	73,187	70,684	72,915	70,981	67,799	67,651
Right-of-use assets	3,760	3,239	3,282	2,935	3,156	3,062	2,977	2,971
Other non-current assets	882	3,723	1,124	1,116	1,232	1,235	1,654	1,723
Deferred tax assets	590	369	331	345	347	319	342	394
Current assets	16,835	1,454	1,454	1,532	1,752	1,775	1,544	2,350
Cash and cash equivalents	1,186	3,107	2,220	1,477	1,286	1,476	848	703
Total assets	**111,894**	**84,805**	**81,598**	**78,089**	**80,688**	**78,848**	**75,164**	**75,792**
Equity and liabilities								
Equity	33,913	32,833	32,719	32,291	33,695	32,643	30,796	31,048
Deferred tax liabilities	8,031	5,698	5,770	5,675	5,776	5,686	5,601	5,487
Interest-bearing liabilities	49,281	41,037	37,590	35,069	35,534	34,782	33,356	33,761
Lease liabilities	3,765	3,244	3,287	2,945	3,165	3,071	2,987	2,980
Non-interest-bearing liabilities	16,904	1,993	2,232	2,109	2,518	2,666	2,424	2,516
Total equity and liabilities	**111,894**	**84,805**	**81,598**	**78,089**	**80,688**	**78,848**	**75,164**	**75,792**

KEY RATIOS

Figures in MSEK	31 Dec 2025	30 Sep 2025	30 Jun 2025	31 Mar 2025	31 Dec 2024	30 Sep 2024	30 Jun 2024	31 Mar 2024
Net interest-bearing debt, MSEK	48,342	38,139	35,579	33,806	34,485	33,515	32,705	33,256
Loan-to-value ratio, properties, %	52.7	50.2	46.7	45.7	45.2	45.1	46.2	46.6
Market value properties, MSEK	91,743	75,962	76,229	73,961	76,334	74,234	70,815	71,317
EPRA NRV per share, SEK	227.01	210.18	209.82	207.55	215.58	209.36	207.70	208.55
WAULT (investment properties), years	13.6	14.0	13.8	14.2	14.4	14.4	14.6	14.9

Financial definitions

FINANCIAL INFORMATION

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

Net loan-to-value ratio, %
Interest-bearing liabilities, including arrangement fees for loans, less cash and cash equivalents, as a percentage of the properties' market value at the end of the period and including non-controlling interests (Eiendomsspar's ownership interest in Bidco).

Gross profit, Leases, MSEK
Revenue less directly related costs for Leases.

Gross profit, Own Operations, MSEK
Revenue less directly related costs for Own Operations including depreciation within Own Operations.

Cash earnings, MSEK
EBITDA plus financial income, less financial expense, less financial expense for right-of-use assets according to IFRS 16, less current tax, adjusted for any unrealised translation effect on bank balances and minority interests.

Net operating income, Leases, MSEK
Net operating income corresponds to gross profit Leases.

Net operating income, Own Operations, MSEK
Gross profit Own Operations plus depreciation included in costs Own Operations.

Net operating margin, Leases, %
Net operating margin Leases as a percentage of total revenue Leases.

Net operating margin, Own Operations, %
Net operating income Own Operations as a percentage of total revenue Own Operations.

EBITDA, MSEK
Total gross profit less central administration (excluding depreciation).

EBITDA margin, %
EBITDA in relation to total revenue.

EPRA capital expenditure, MSEK
Acquisitions, new capacity from extensions and remodelling, other cash flow-generating investments and technical investments.

EPRA Earnings, MSEK
Earnings in 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 within Own Operations, depreciation of central administration costs, unrealised translation effect on bank balances, other non-cash value changes, less current tax.

EPRA NRV, MSEK
Recognised equity attributable to the Parent Company's shareholders, including reversal of derivatives, deferred tax assets related to 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, deferred tax assets related to derivatives, deferred tax liabilities related to properties and revaluation of operating properties.

EPRA LTV, %
Loan-to-value ratio, net, adjusted for net operating receivables/operating liabilities.

EPRA NDV, MSEK
Recognised equity attributable to the Parent Company's shareholders, including revaluation of operating properties.

EPRA NYI, %
Net operating income in Leases, before property administration, last 12 months, divided by market value of investment properties.

Average interest on debt, %
Weighted average interest rate, including interest-rate derivatives, for interest-bearing liabilities at the end of the period.

Investments, MSEK
Investments in non-current assets excluding acquisitions.

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

Profit before changes in value, MSEK
Profit before tax plus changes in property values plus change in value of derivatives.

Net interest-bearing debt, MSEK
Current and non-current interest-bearing liabilities plus arrangement fees for loans less cash and cash equivalents and short-term investments that are equivalent to cash and cash equivalents. Non-current and current lease liabilities according to IFRS 16 are not included.

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

Growth in EPRA NRV (net reinstatement 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.

Growth for comparable portfolios in fixed currency
Growth measure that excludes effects of acquisitions, divestments and reclassifications, as well as exchange rate changes.

PER SHARE

Cash earnings per share, SEK
Cash earnings divided by the weighted average number of shares outstanding.

EPRA Earnings (EPS), per share
EPRA Earnings divided by the weighted average number of shares outstanding during the period.

EPRA NRV, NTA, NDV (net asset value) per share, SEK
EPRA NRV, NTA, NDV divided by the total number of shares outstanding 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.

Comprehensive income per share, SEK
Comprehensive income for the period attributable to the Parent Company's shareholders divided by the weighted average number of shares outstanding after dilution at the end of the period.

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

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

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

Other definitions and terms

PROPERTY INFORMATION

Number of hotels
Number of owned hotel properties at the end of the period.

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

Market value properties, MSEK
Market value of investment properties plus market value of operating properties.

RevPAR for operating properties (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 leased out during the entire current period and comparative period. Fixed exchange rate is defined as the exchange rate for the current period, and the comparison period is recalculated based on that rate.

WAULT (investment properties)
Weighted average unexpired lease term, for investment properties.

OTHER TERMS

Compression night
The term compression night is used to describe particularly profitable guest nights in the hotel market, which occur when the occupancy rate in a certain hotel market is 90 percent or higher.

IATA (International Air Transport Association)
IATA manages international rules for commercial passenger aviation, mainly through standardisation of e.g. tickets, airport codes and airline codes.

OTA – Online Travel Agency
Online companies whose websites permit consumers to book various travel-related services.

UN Tourism
Multilateral institution promoting tourism with headquarters in Madrid. The organisation was formed at the initiative of the United Nations.

WTTC – World Travel & Tourism Council
A global association that brings together significant actors in travel and tourism. The WTTC works to increase awareness about travel, tourism and hospitality which together account for more than 10 percent of global GDP and employ close to 300 million people.

EPBD – Energy Performance of Buildings Directive
The Energy Performance of Buildings Directive is EU legislation requiring improvements in the energy efficiency of buildings. Its principal aim is to reduce energy consumption and greenhouse gas emissions within the real estate sector.

The Pandogs

The Pandogs are Pandox's strong team of office dogs. Always curious, always hungry for more, always in a good mood no matter what. Always sniffing the air to find the next business opportunity.

Find out more about the dogs on our website pandox.se.

Knut
Golden retriever

Sally
Gordon setter

Laban
English setter

Juni
Golden/Labrador retriever

Caesar
Cavapoo

Dexter
Norfolk terrier

Blum
Mixed breed

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