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Pandox

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QUARTR



Speakers



Operator



Anders Berg

Head of Investor Relations and Communication | Pandox



Liia Nõu

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Anneli Lindblom

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Robert Phillips

Analyst | Green Street



Véronique Meertens

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Aoife Roche

VP of Sales for EMEA | STR



Henrik Karlsson

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Prepared Remarks

**Operator**

Welcome to the Pandox Q3 presentation for 2026. During the questions-and-answers session, participants are able to ask questions by dialing pound key five on their telephone keypad. Now, I will hand the conference over to Head of IR and Communication, Anders Berg. Please go ahead.

**Anders Berg**

Head of Investor Relations and Communication | Pandox

Thank you very much. Good morning and welcome to this presentation of Pandox Q3 interim report for 2026 on a rather gray morning here in Stockholm. I am here together with Liia Nõu, our CEO, and Anneli Lindblom, our CFO. Today we have the pleasure, once again, of having both Aoife Roche, Vice President at STR, and Henrik Karlsson from Benchmarking Alliance with us. Aoife and Henrik will provide a shorter hotel market update on Europe and Nordics respectively. As you know, STR and Benchmarking Alliance are both leading independent research firms dedicated to the hotel market, and the views they express are completely separate from Pandox. We offer this as a service to Pandox stakeholders. Aoife and Henrik's presentation will take place after we have completed the formal earnings presentation, including the Q&A.

**Anders Berg**

Head of Investor Relations and Communication | Pandox

We start with Liia and Anneli's business update and financial highlights from the quarter, followed by the Q&A session. With that, I hand over to Liia.

**Liia Nõu**

CEO | Pandox

Thank you, Anders, and good morning and welcome everyone. Despite continued geopolitical challenges, the hotel market continued to grow during the third quarter. For Pandox, total revenue and net operating income increased by 15% and 25% respectively, primarily driven by strong performance in the Leases business segment, particularly in Sweden, where we saw exceptional growth and a continued contribution from the acquisition of Dalata. Like for like, total revenues and total NOI grew with 4% respectively. Cash earnings per share increased by 31%, while EPRA NAV per share with a dividend paid in April added back increased by more than 17% on an annual basis, demonstrating continued value creation for shareholders. Adjusted for preparatory financial cost of SEK 22 million in the comparable quarter, cash earnings increased by 23%. The Dalata properties performed well during the quarter, generating a rental income of SEK 357 million with strong profitability.

**Liia Nõu**

CEO | Pandox

For the first nine months of the year, rental income from Dalata amounted to SEK 880 million. Today, we also announced the divestment of seven hotel properties in Denmark and Sweden with an underlying property value of approximately SEK 2.1 billion, which is higher than our book values for the properties. The properties have approximately SEK 130 million in yearly net operating income, and the transactions are expected to close in the fourth quarter this year. At the end of the third quarter, our loan-to-value ratio was 52.2%, compared to 52.4% at the end of the second quarter of 2026. But adjusted for the announced divestments in Denmark and Sweden, the loan-to-value ratio was 51.2%, 1 percentage point down. In the beginning of the quarter, six former Revo Hospitality Group hotels in Germany were transferred to Own Operations.

**Liia Nõu**

CEO | Pandox

Anneli will provide more details on the effects from this change later in this presentation. We are active in Europe, the world's largest hotel and tourism market, with strong structural growth drivers. We only invest in hotel properties and create value through active and engaged ownership. We have long-term revenue-based leases with a WAULT of 12.9 years and good guaranteed minimum rent levels with skilled operators. Including the revenue-based leases with Scandic for the Dalata portfolio, the WAULT is 17.1 years. Our property portfolio has an average blended valuation yield of 6.39% and a yield spread of close to 220 basis points. We systematically invest in climate change projects in a portfolio with good returns based on SBTi-validated targets.



Liia Nõu
CEO | Pandox

We have strong cash flow and a balanced financial position, which enable us to drive continuous profitable growth through acquisitions of new properties and investments in our existing portfolio over time. We have a strong and well-diversified hotel property portfolio consisting of 191 hotel properties with more than 42,000 rooms in 11 countries and 90 cities, and with a property market value of approximately SEK 97 billion. We are divided into two mutually supportive and reinforcing business segments: Leases and Own Operations. Leases, where we own and lease out our hotel properties, stands for 84% of our property market value. In our Own Operations, we transform and run hotels and properties we own. Own Operations make up 16% of our property market value.



Liia Nõu
CEO | Pandox

The focus of our portfolio is in strong locations, mainly upper mid-market hotels with mostly domestic demand, which is the backbone of the hotel market regardless of which phase the hotel market cycle is in. We also have one of the strongest networks of brands and partners in the hotel property industry. This ensures efficient operations and revenue management, which maximize cash flow and property values, and a continuous flow of business opportunities. Also, a relative large part of investment in Leases is shared with a tenant, which of course lowers our risk. The Dalata properties are performing well. In the third quarter, they generated rental income of SEK 357 million with strong profitability. For the first nine months of the year, rental income from Dalata amounted to SEK 880 million.



Liia Nõu
CEO | Pandox

Assuming that the corresponding lease agreements had been in place during the comparative period, revenue growth for the Dalata portfolio in the third quarter is estimated at 4% in the U.K. and 1% in Ireland. Year-to-date, growth is estimated at 3% in U.K. and again, 1% in Ireland. The performance is in line with our expectation and confirms the quality of the acquired portfolio. The separation of Dalata's business into a property-owning business and a hotel operating business is progressing well and is expected to be completed during the fourth quarter of 2026. Once the process is completed, Pandox will have an even stronger platform for long-term growth and value creation. In parallel, we have engaged in positive discussions with banks regarding the refinancing of the current acquisition financing for Dalata, replacing it with secured property financing.



Liia Nõu
CEO | Pandox

Indications are that this could be done at a clearly lower credit margin, and that we most likely also can increase our liquidity reserve at that point, should we so desire. Here we have a breakdown of the performance in the first nine months of 2026 for a selection of countries, regions, and cities versus the first nine months of 2025. We show average daily rate on the vertical axis and occupancy on the horizontal axis. Thus, origo is the point corresponding to 2025 on both ADR and occupancy. In the boxes, we indicate how much higher or lower RevPAR is compared with the corresponding period 2025. The circles indicate the share of Pandox property market values in each country. Basically, all markets have grown this year in terms of RevPAR. The best-performing markets in the period are Sweden, Denmark, and the U.K. Belgium shows a slight decline.



Liia Nõu
CEO | Pandox

Aoife Roche from STR and Henrik Karlsson from Benchmarking Alliance will shed more light on these underlying trends in the hotel market later in this call. Investments in our standing portfolio is an important part of our business model and of course, capital allocation. At the moment, we have approximately 50 projects planned and ongoing in eight different countries. The total investment volume for this project is approximately SEK 4.1 billion, of which some SEK 1.9 billion has already been spent. The stabilized target yield on cost on the total amount is approximately 9.4%. The estimated stabilized NOI represents the additional, or say, incremental annual NOI generated once these investments have reached their full potential, normally after two to four years. In 2026 and 2027, our planned investments are higher than normal due to three large projects.



Liia Nõu
CEO | Pandox

It's the conversion of Clayton St Andrew Square in Edinburgh, planned completion in first quarter 2027. The extension of Clayton Cardiff Lane in Dublin, and the extension of DoubleTree by Hilton Brussels City, planned to be completed in the second half of 2027. In these projects, we have already invested more than SEK 1 billion, basically with a zero return so far since they have yet to be launched commercially. As a final note, divestments are an important part in driving capital efficiency. The announced divestments in Denmark and Sweden show we are both willing and capable of exploring that when the price is right. With that, I hand over to Anneli Lindblom, our CFO.



Anneli Lindblom
CFO | Pandox

Thank you. Thank you, Liia, and good morning, everyone. In the third quarter, total revenue and group net operating income increased by 23% and 29% respectively, driven by the acquisition of Dalata and positive like-for-like growth. Leases reported growth of 37% in revenue and 39% in net operating income. Like-for-like growth was 7% and 8% respectively, driven by the exceptionally strong demand in Sweden and to some extent also in Denmark. The U.K. and Germany also contributed positively to like-for-like growth in the quarter. Own Operations reported higher revenues and lower NOI. Like-for-like revenues increased by 1%. RevPAR was unchanged while NOI decreased by 6%. Underlying, Germany performed well, while London and Brussels continued to struggle due to a combination of factors such as disruption in the inbound travel from the Middle East for London and supply and weaker meeting demand in Brussels.



Anneli Lindblom
CFO | Pandox

Brussels was also affected by an increase in tourism tax. On top, we also had a one-time cost, including pre-termination of two management agreements in the period. As we wrote in the report, and as Liia said, in the beginning of the third quarter, we also took over the hotel operations for six of the nine hotel properties previously leased by Revo Hospitality Group. That added hotel revenue of SEK 96 million to the segment Own Operations, at a lower than average profitability. It did lower the rent segment by SEK 37 million in the business segment Leases. In business area Leases, we also had a one-time cost of SEK 11 million related to the Revo process. The six own operated hotel properties remain classified as investment properties while we explore the possibility to lease them out again.



Anneli Lindblom
CFO | Pandox

Reported and adjusted cash earnings grew 31% and 23% respectively in the third quarter, reflecting both Dalata and strong underlying growth in the lease portfolio. As we wrote in the report, going into the fourth quarter, our comps will be a bit more difficult since we have had Dalata in the numbers from early November 2025. On this slide, we show the change in the main valuation parameters for the total property portfolio year-to-date. Please remember that investment properties are recognized at fair value, and according to IFRS, unrealized changes in value for operating properties are only reported for the information purpose and is included in our EPRA NRV calculation. For the period, the total unrealized changes in value were a negative SEK 342 million.



Anneli Lindblom
CFO | Pandox

We had a positive effect from lower yields in Leases and a negative effect from both cash flow and yields in Own Operations. Property values also benefited from a depreciation of the Swedish krona. End of the period, the average valuation yield for investment properties with some rounding effects rose marginally to 6.32%. For operating properties, it was unchanged at 7.68%. The blended yield edged up 3 basis points to 6.39%. Here we have the average yield, the average interest on debt, and EPRA NRV per share quarterly. The average interest on debt end of period increased 7 basis points to 4.08% from 4.01% in the second quarter. The yield spread narrowed slightly down to some 230 basis points. In the end of the period, EPRA NRV was SEK 242.22 per share, representing a solid 17.4% annualized growth, adjusted for paid dividend in 2026.



Anneli Lindblom
CFO | Pandox

Our LTV at the end of the quarter amounted to 52.2%, adjusted for the divestment in Denmark and Sweden. The LTV was at 51.2%, and we are well within our financial policy range on both numbers. The ICR on a rolling 12-month basis was 2.4x, and cash and credit facilities amounted to SEK 3.5 billion. The trend with good demand from banks and lower credit margins remained intact. We were very active on new financing and refinancing in the quarter.



Anneli Lindblom
CFO | Pandox

New loans and refinancing amounted to SEK 16 billion for the period. The average repayment period was 1.9 years. At the end of the quarter, we have SEK 15 billion on debt maturing within one year, and this is including the acquisition facilities related to Dalata. As said previously, the average interest on debt increased by 7 basis points to 4.08% in the third quarter compared with the second quarter.

**Anneli Lindblom**

CFO | Pandox

This is explained by slightly higher base rate and expiration of some favorable hedge contracts. We have positive discussions ongoing with Nordic and the international banks to refinance the acquisition facility with traditional property-backed bank financing, indicatively at clearer, lower margins. Bank appetite to finance our hotel properties remains very strong. At the moment, approximately 50% of the net debt is hedged, compared with 59% in the second quarter. With that, I will hand back to Liia for some final remarks.

**Liia Nõu**

CEO | Pandox

Thank you, Anneli. Despite all the turbulence in the world, the world economy and the hotel market have remained resilient. The outlook for the hotel market in Europe remains positive. For us, inflation and rising interest rates is the main concern. However, variable leases offer protection by direct exposure to underlying hotel pricing. As Anneli said, 58% of our net debt is hedged, and we see good potential to complete upcoming refinancing at clearly lower credit margins than we currently have in our loan portfolio. In addition, we have quite a few larger renovated hotels that are expected to gradually contribute to our earnings in 2027. For Q4 2026, underlying cash earning faced, again, a challenging comparable quarter due to SEK 263 million of extraordinary costs in the comparable quarter last year.

**Liia Nõu**

CEO | Pandox

Also, remember Dalata was included from 7th of November last year, and higher financial costs compared with last year. Thank you. We now move over to the Q&A. Operator, we are now ready for questions. Please do not forget to hand the call back to us afterwards, after our external speaker's presentation.

Q&A



Operator

If you wish to ask a question, please dial pound key five on your telephone keypad to enter the queue. If you wish to withdraw your question, please dial pound key six on your telephone keypad. The next question comes from Robert Phillips from Green Street. Please go ahead.



Robert Phillips

Analyst | Green Street

Thank you very much for the presentation. I just had two questions. I will go one by one. Firstly, I was just wondering if you could give us a bit more color on your forward bookings for 4Q and perhaps early 2027. Because, of course, airlines have been warning, particularly in the last few weeks, about higher fares. I was just wondering also if you had seen any changes to lead times.



Liia Nõu

CEO | Pandox

Right. Thank you. Thank you, Robert. When we look at the business on books, in basically all our markets with one exception, if I remember right, then they are at or above the same level as they were previous years. The only slightly weaker is Norway, but this is marginally lower than at the same time. But for the Nordic countries and even for Finland, we look at Brussels, et cetera, then business on the book is either at or above the same level.



Robert Phillips

Analyst | Green Street

Perfect. Thank you very much. Secondly on U.S. demand, of course, it has been a very strong driver of the European hotel market broadly, and it has softened quite a lot this year. I was just wondering if you have seen any impact of this on certain markets like the U.K. and Ireland and, as well as the weak demand from the Middle East as well.



Liia Nõu

CEO | Pandox

Yes. Thank you. Yes, we were a little bit worried about this also in the beginning of the year, especially after the February events. But we have slightly less. It's still been more than previous years. But it's slightly weakened, even though it's above, from U.S. to inbound Europe. However, when we look at Europe travelers going to U.S., it's actually increased with 9% or so. So the net effect of that is actually positive. But slightly weaker versus what it was in the beginning of the year, but it's still above the levels of last year.



Robert Phillips

Analyst | Green Street

Perfect. Thank you very much.



Liia Nõu

CEO | Pandox

Thank you.



Operator

As a reminder, if you wish to ask a question, please dial pound key five on your telephone keypad. The next question comes from Véronique Meertens from Van Lanschot Kempen. Please go ahead.



Véronique Meertens

Analyst | Van Lanschot Kempen

Hey, good morning, all. Thank you for the presentation and taking my questions. Two questions from my side as well. First, on the nine Revo assets, could you give a bit more color on what exactly the plan is for the six ones transferred to Own Operations? Do you actually expect to spend some CapEx there? Are there already discussions with future tenants? What was exactly the reason between those six moving to Own Operations and the other three still in Leases?

**Liia Nõu**
CEO | Pandox

Yes. Thank you. The six operating assets which we're taking into our Own Operations so far, we are assessing them, and we see good potential of actually, was it fixing the patient? The patient is slightly ill. We have to fix the patient, and then we are planning to lease them out. At this point in time, we don't see large CapEx needs, but of course, there will be a lot of different efficiency activities. Everything from smaller CapEx needs, et cetera. When it comes to comparing the six with the three ones which we are in discussions with, or which the administrators are in discussion with of leasing out, there is an existing dialogue going on with an expected tenant and the administrator of the bankruptcy portfolio. This is an ongoing discussion between the administrator and the future tenant.

**Liia Nõu**
CEO | Pandox

Hopefully this will be also ready in this fourth quarter.

**Véronique Meertens**
Analyst | Van Lanschot Kempen

Okay. That's helpful. Thank you. Secondly, you mentioned there was a very small yield shift in Q3 for your Leases. Just curious how your discussions are with the appraisers for Q4 or what your own view is toward these property yields in this higher rate environment that we're currently in?

**Liia Nõu**
CEO | Pandox

Yes. As you know, every quarter we assess all of our 191 properties with external yield assumptions. There have been minor revisions from the external yields, and that has been basically more on sort of second-rated locations. It is a blended mix of everything what is happening going on. So far, it is difficult. We do not know more than the external evaluators. But in this current environment, we are in line with what the external evaluators view as the proper yields. We have externally evaluated 75 of our 191 properties in Q3 as well.

**Véronique Meertens**
Analyst | Van Lanschot Kempen

Okay. Thank you.

**Operator**

There are no more phone questions at this time. I hand the conference back to the speakers for any written questions.

**Liia Nõu**
CEO | Pandox

Now I would like to hand over to our first guest speaker, Aoife Roche from STR, for our European hotel market update. After Aoife's presentation, Henrik Karlsson from Benchmarking Alliance will make a presentation with focus on the Nordic hotel market. Again, please remember that Aoife and Henrik's presentations are totally separate and independent from Pandox and also arranged as a service to our stakeholders. Please go ahead, Aoife.

**Aoife Roche**
VP of Sales for EMEA | STR

Good morning, and thank you, Liia, for the introduction. First up, I am going to focus on European demand with a deep dive into the U.K. and Ireland. Then Henrik will follow with more information on the Nordics. Globally, demand is up by 1.2%. As you can see, it is the Asia-Pacific performance that is leading the way, with India out on top growing by 7%. The U.S. has also made its way to the top this month year-to-date after a bumper summer, particularly June and July, due to the World Cup months. This year has been performing well overall for the U.S. Demand is up by 15 million rooms, and we forecast RevPAR growth of 4.4% for full-year 2026.



Aoife Roche

VP of Sales for EMEA | STR

Now, much like rest of world, the majority of that ADR growth is coming through the upper tiers, luxury, upper upscale, and upscale, indicating some international demand, as Liia referenced, coming back into the U.S., but also some U.S. travelers staying domestically rather than traveling outbound, which we have felt in Europe a little bit this year. Europe as a whole is up around 2%. You can see at the top there, Spain, France, and Germany growing demand at around that 2% mark, and the U.K. slightly below at 0.8%. Of course, GCC countries demand continues to be turned negative. Back 16% now year-to-date, and this has improved by about 9 percentage points since the onset of the conflict. Despite the conflict, rooms and construction remain very elevated in the Middle East region. As you can see, 11.7% growth on existing supply expected.



Aoife Roche

VP of Sales for EMEA | STR

For Europe, a growth of 3% is expected on its current 6.6 million rooms. There are 190,000 rooms currently in construction, according to CoStar data. For the U.K., there are 26,000 rooms in construction, which would result in a 3.5% growth on existing supply. In the U.K., it is really London, Edinburgh, and Manchester that have the highest rooms in construction, and you will see the impact of that in the forecasts as I move through this presentation. With supply growth relatively moderate in Europe and in the U.K., this has allowed for some occupancy gains, so 1% growth. After a strong summer in Europe overall, occupancy has reached a peak of 72%, so over seven in 10 rooms sold in Europe year-to-date. Most European markets, particularly the urban markets, are running exceptionally high occupancies. I count nine markets with 80% or more in occupancy.



Aoife Roche

VP of Sales for EMEA | STR

York, interestingly, at the top in the U.K., right down to the Canary Islands in ninth place. So very high occupancy for the most part, and the majority of markets are running in the 1970s. With the exception of the Middle East and Central America, all regions are seeing very similar occupancy trends. Now, we have established over the year that demand growth is not necessarily fundamental for rate growth, but it also is not just inflation. Supply and demand factors contribute significantly to ADR outcomes, and we continue to see double-digit ADR growth in Europe. Countries such as Turkey and Italy are really dominating that statistic. It is worth noting that there has been little to no supply coming into these markets in the past 12 months. So there really is that strong relationship between the two.



Aoife Roche

VP of Sales for EMEA | STR

Like I said, Europe's summer performance was excellent, and as expected, weekend occupancy in coastal markets were very strong throughout July and August, confirming that the expected intra-regional travel, the strength of that intra-European travel, really played out in the coastal and leisure markets. Many leisure city markets also saw occupancy grow on the weekends. I can name Istanbul, Barcelona, and Madrid. All of those leisure-driven markets grew very well over the summer. With strong weekend performance and U.S. inbound still holding up for Southern Europe, Spain and Portugal have continued to see strong growth beyond that 5% mark, with luxury and upper upscale classes still growing very strongly in terms of ADR. Of course, those key Southern European markets seeing that strong interregional travel. RevPAR growth has been strong through the summer and into September, as you can see here.



Aoife Roche

VP of Sales for EMEA | STR

Now, we certainly can't thank just the U.S. inbound travel coming back in September for this 10% growth, but we can attribute some of it to that return, as you'll see in the next slide. I think we can also attribute it to the weather. Many leisure markets saw strong ADR growth in the month of September. There were a few outliers like Glasgow and some German markets saw a really good, strong September, and a lot of that was event-led rather than purely underlying market growth. Hamburg benefited from a very large Messe in shipbuilding and maritime, SMM. Berlin hosted a major international congress, ESPEN, a medical congress, and Munich's September events and of course, Oktoberfest, are creating additional compression. Last for Glasgow, continued success in terms of attracting conference and events.

**Aoife Roche**

VP of Sales for EMEA | STR

They hosted the European Association for International Education in the SEC, which again resulted in a strong month. September overall, it has been a wonderful start to the second part of the year. Now, I mentioned that 10% growth coming through in September and some attribution to the U.S. Although we'd seen very moderate growth in U.S. inbound in Europe, and particularly in the U.K. year-to-date, you can see that September we have seen a little bit of a comeback with 4% growth. So really pleased to see that comeback. In terms of occupancy levels remain very high for Northern Europe on the whole. The U.K. and Ireland are selling eight in 10 rooms, excuse me, that are available this year. So we are seeing some good results in terms of occupancy.

**Aoife Roche**

VP of Sales for EMEA | STR

I've highlighted the Nordics here, running 68% on average year-to-date and sitting in the top three in terms of occupancy growth. With the average occupancy in Europe sitting at 72%, there are some hotspots. Like I mentioned, York was one, but Dublin and Edinburgh as well. European occupancy in 2019 was, for the full-year, 72%. So I wonder whether we've reached that ceiling or if there is room for further growth. Let's see. In terms of year-on-year growth, there is, like I said, that constant game of tag between supply and demand growth, and there are already very high occupancies for some markets. This results in some mediocre gains.

**Aoife Roche**

VP of Sales for EMEA | STR

You can see for the most part, you have got stability in occupancy across key European markets, and for some we are seeing growth, particularly over in the eastern part of Europe where we continue to see that double-digit growth. In terms of rates, I mentioned European rate has grown just by 3% year-to-date. We do know that that is skewed slightly towards the south and of course inflated by the Milan Olympics when we look at Italy. France has grown well just behind it with 8.4% growth, with a strong summer behind it. Resorts are underpinning a lot of that growth in Southern Europe that you are seeing. It is not the urban markets that are really underpinning that strong double-digit growth.

**Aoife Roche**

VP of Sales for EMEA | STR

Southern Europe's ADR is out of proportion. You can see, firstly, you can see the growth here, but you can see on the next slide that Southern European's ADR is out of proportion with the rest. It accounts for 54% of Europe's ADR, whereas supply is just 41% of the total supply in Europe. You can see really that that total number is changed by the Southern European performance. The European average year-to-date is EUR 156. Eastern Europe is recording EUR 107. Southern Europe, EUR 192. You can see the difference there. The rest in the middle, running at around EUR 140. Let us go to the United Kingdom and look at that in a bit more detail. U.K. demand growth year-to-date, as I mentioned to August, actually was 0.8%.

**Aoife Roche**

VP of Sales for EMEA | STR

That grew slightly upwards in September, rising to 0.9% when we include September into that demand. We finally see, like I mentioned, that acceleration in U.S. inbound to the U.K. with 4% growth in the month of September, finally matching that of Europe. As you can see, in previous months, it was well below the European average, and of course, well below that Italian average. There is a narrative around September perhaps becoming less of a shoulder season, and certainly more attractive to the U.S. inbound traveler for price, temperature, of course, and of course, we are continuing to see lots of interregional travel through the shoulder seasons, which is helping to lengthen the seasons for many markets previously with shorter summer seasons. In the U.K., almost eight in 10 rooms have been sold, so very good performance, and it is pretty much on par with 2025, up 3%.

**Aoife Roche**

VP of Sales for EMEA | STR

You can see again September confirming that much of the growth is coming through ADR. Much of the RevPAR growth is coming through ADR, as we see that blue series continue into September. U.K. hotel occupancy has stabilized, with markets sitting at around 78%, but most markets sitting at 70% and above. We have, of course, some exceptions. Dublin leading the charge there with 85%, matching Edinburgh again with 85%. Some strong performance in ADR. That 125 average, although it is below the European average, it is very much on par with the Northern European averages. We see some outliers. London, no surprise, with luxury and upper upscale driving a lot of that performance. Dublin as well, performing really well, 181, and then Edinburgh, 177. The usual suspects continue to drive the ADR. Let us look forward a little bit here.



Aoife Roche

VP of Sales for EMEA | STR

We can see that the past decade has seen rate grow exponentially. In September, there is a delta of just EUR 61 when compared to September 2017. In 10 years, we have seen a 50% gain in rate for Europe as a whole. If we look to the U.K., the same data, but just for the U.K., there is a GBP 41 delta or exactly 41%. The majority of this gain has been made, of course, in the recovery post-COVID, in those few years post-COVID, but the growth, as you can see, continues into 2026. The leaderboard in the U.K., Glasgow, Edinburgh, and many regional non-urban markets have seen the strongest growth, again confirming the strength of domestic demand and again starting to see that intra-regional return.



Aoife Roche

VP of Sales for EMEA | STR

If we look ahead, this is just European markets, 2027 RevPAR expectations for Europe are pretty stable to negative in some markets, but there is a much more buoyant outlook for 2028. You can see 2027 in more detail here for all of the markets that CoStar forecasts. We can see the majority of markets will see positive RevPAR growth in 2027. If we go to the last part of this chart, we can see some negative growth, but much of this is due to year-on-year comparisons. If we take Milan, without the Winter Olympics, of course, there will be decline. We can see some other markets. Glasgow, again, a lot of non-repeat events for Glasgow, Commonwealth Games being one of them, so there will be a negative performance.



Aoife Roche

VP of Sales for EMEA | STR

Belfast and Dublin suffering from additional supply for the most part that will impact their RevPAR outlook in 2027. For the U.K., we do anticipate another mixed year, again, in 2027. We do expect limited supply growth and, of course, the resumption of flights to and from the Middle East, along with improved inbound demand from the Middle East and Asia-Pacific, and now we can count hopefully on the U.S. inbound will support Gatwick and Heathrow business. But with occupancies high, rate is, of course, the only lever for these airport hotels. In the middle, we have London and Manchester that will absorb a lot of new supply in 2027, which will result in low to no occupancy gains. London will also see a lot of mid-scale and economy supply come through, but rates will come through and drive RevPAR growth for those markets.



Aoife Roche

VP of Sales for EMEA | STR

As I mentioned, Glasgow, the only one with significant declines year-on-year due to the lack of non-repeat events, will give it a softer outlook for 2027 on the whole. If we just compare again longer term, looking at London and regional U.K. side-by-side. RevPAR growth looks healthy both in 2027 and into 2028 for both London and the regions. Of course, we do not expect the 10-year CAGR ADR to be repeated as we go forward, but we do expect to see positivity in ADR in 2026 and beyond into the future years. Do look out for our November forecast, which will be coming out at the end of November, where we will dive into the euro's impact in more detail. For now, we are expecting all classes and markets to be impacted positively.



Aoife Roche

VP of Sales for EMEA | STR

But it may be the lower classes' moment now as new supply is ready and ready to ramp up for future. Thank you very much. I am going to hand over to Henrik, I believe. I may need to just slip through these slides for you, Henrik, and I will hand over now.



Henrik Karlsson

Business Development Manager | Benchmarking Alliance

Okay. Thank you very much. My name is Henrik. I am from Benchmarking Alliance, and in my presentation, we will have a look at the latest market data from the Nordics in particular, but also a little bit from the Baltic region. The data includes September 2026, and it is based on more than 2,000 hotels and conference venues that use our benchmarking service and report their data daily to us in this region. If we start by looking at the RevPAR by country in the Nordics and the Baltics, year-to-date, January to September 2026 versus last year. Sweden and Denmark lead at +8.2% and 8.0% in RevPAR increase. They are well ahead of the rest of the region. However, most of the countries show a positive development the first three quarters. Latvia is the only country that is down, -1.3% after a weak September.

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We will get back to the reason for this drop in the next slide. The bubble size here shows how large each market is in rooms available per night. Sweden and Norway carry most of the regional volume here. Lithuania is still a small market for us. The numbers here are based on a smaller selection of hotels compared to the other markets. If we move on to the capitals, and also here year-to-date from January to September, Stockholm leads on RevPAR at +11.2%, with Copenhagen close behind at 8.3%. Helsinki and Tallinn are both back above last year after a strong September, leaving Riga as the only capital below last year at -1.5%. That dip is largely explained by the EuroBasket championships, which Riga hosted last September and which filled the city at high rates for several days.

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In Stockholm, the ECCO Congress in February, the EHA Congress in June, two concerts in July from Bad Bunny and one concert in August from The Weeknd, combined with a generally stronger demand, all contributed to the city's growth. Oslo's RevPAR growth in half-year one 2026 was notably more modest by comparison, as Nor-Shipping Conference in 2025 proved difficult to replace. However, the summer and a very strong September brought growth back into positive figures for Oslo. Copenhagen's success story continues. In Q1, several major medical congresses had a positive effect on both demand and pricing. Q2 was somewhat slower, but the year-to-date development remains strong, and the new record number of turnaround cruises, together with a general increase in demand, also lifted the summer business in Copenhagen. Reykjavik picked up after a slow start, once again showing that summer is its high season.

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This year, also, the solar eclipse that was totally visible from Iceland and took place in August generated a lot of extra demand. Helsinki had fewer congresses in May and June compared to last year and continues to face challenges in winning back demand from Asian markets. Even so, a stronger September in both Helsinki and Tallinn pushed both cities into positive growth year-to-date. If we look at RevPAR, ADR, and occupancy by capital, also here year-to-date, January to September, you can see that the development in Stockholm and Copenhagen is driven mainly by higher average daily rate. In Reykjavik, the same, even if the occupancy drop from the beginning of the year still shows year-to-date. This is the same view as the previous slide, but here also with TRevPAR in orange color added next to RevPAR.

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TRevPAR is calculated from total revenue instead of room revenue and includes ancillary revenue. Ancillary revenue is everything from meeting and events revenue, food and beverage, such as restaurant, bar, room service, as well as other revenue in the hotels, such as parking, spa, or other additional income the hotel might have. In Stockholm, the TRevPAR increase is slightly lower than in RevPAR. Ancillary revenue decreased in all Scandinavian capitals year-to-date. Why I push this here is that it is very wise to also benchmark your TRevPAR to make sure that you are not losing out on your RevPAR increase on the other outlets in the hotel. Conference trends in the Nordics. In our service conference trends, we measure total conference revenue per available square meter. The trend overall in the Nordics is right now very positive.

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It is so far this year up 11.5% in total revenue per square meter. Revenue per delegate is up 6.3%, and delegates per square meter is up 4.9%. July is the low season, obviously, with a very small base, which explains the largest swings that month. Currently, we measure the revenue generated from 142,700 sq m of conference space, and this coverage will increase drastically in the coming months as we will have a lot more data coming into this service. If we go back to hotel data and we look at the capitals of the Nordics and the Baltics and how they have grown in 2026 so far. Here we look at ADR change against occupancy change, January to September. Stockholm and Copenhagen grew in both KPIs and are the RevPAR leaders at +11.2% and 8.3%. Oslo has moved into the same quadrant, but mostly on rate.



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Reykjavik, Vilnius, and Riga are rate led, so ADR is up 1.5% to 6%, while occupancy actually falls. In Riga, not enough to hold RevPAR. Helsinki and Tallinn are the opposite. More rooms sold at a slightly lower rate. What is worth mentioning here is that no capital is actually down on both rate and occupancy. If we look at the different segments and the development year-to-date, Stockholm is up in every segment and led by mid-scale at +12.7%. Copenhagen grows across the board but tapers towards budget. Oslo is up in every segment, though upscale is close to flat at +0.3%, and Helsinki splits. Luxury is up 10.5%, while upscale and the combined mid-scale budget concepts are down. Figures here are local currency, so only the change is comparable between the cities.



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If we look at the regions versus the capitals, we can see that it is actually occupancy that decides. Rate increase is more or less the same in the capitals as in the regional cities in the Nordics. All 68 regional cities consolidated here against the five capitals. Capitals grow RevPAR 6.8% against 4.8% for the regions. We will go a little bit more into details on the regional cities in the coming slides here. First, just to look at all the 68 regional markets that we measure across Sweden, Norway, and Denmark, Finland, and Estonia in one map. Every city in the cities report except the capitals. 57 of the 68 regional markets are up. Just to mention a few, in Finland, the regions grew 4.5% against Helsinki only with 0.9%. In Finland, the regional cities are driving the development.



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The Norway regional versus capital show a similar development, regions +1.6% against Oslo 1.8%. In Sweden and Denmark, the capital leads. Stockholm 11.2+%, as we mentioned before, and Copenhagen 8.3% has proven difficult to beat for the regional markets. The strongest regional markets are Jönköping and Piteå. The weakest ones are Haugesund and Trondheim, and we will get back to the reason for this in the coming slides. We start with Sweden, a geographic view of the RevPAR development year-to-date. Sweden is in total +8.2%, and the growth here is very broad. Out of the 37 markets we measure in Sweden, 32 are up. The strongest are Jönköping, Piteå, Helsingborg, and Stockholm. The declines are small and few. Södertälje, Gävle, and Västervik. The reason for Jönköping to increase has a lot to do with the Elmia Fair.



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The Custom Motor Show, especially, ran over the Easter weekend, which obviously is a very good period to host a high-demand event. Also, the Produktionsmässor, the Elmia Production Fairs, six parallel trade fairs about manufacturing that ran 19th to 22nd of May. Piteå, the main driver here was the Piteå Summer Games. It is a large international youth sports tournament that was held in end of June. The drop in Gävle, the reason here is the finals in Swedish ice hockey last year, that is obviously difficult to replace, as well as the Swedish Championships in Boule. On top of this, the corporate demand in general is also slower in Gävle so far this year. Moving on to Norway. Same geographic view, but for Norway this time. Bodø hosted three UEFA Champion League games in Q1.



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Harstad/Narvik experienced an especially strong Q1 due to the NATO exercise that was held in this area, and also the Junior Alpine World Championships in March. The increase in Tromsø seems to have slowed down after several years of strong growth. Trondheim, the drop here can almost only be explained in last year's World Ski Championships. That was obviously not replaced this year. The Haugesund drop seemed to be mainly driven by less corporate demand from the shipping industry that is right now in a slow period. As well, the supply of hotel rooms has increased in Haugesund with 14%. Moving on to Denmark. Denmark year-to-date in total, 8%. Most of the markets are increasing here. Outside Copenhagen, the picture is pretty flat. Aalborg and Kolding, 3.8%, Aarhus, 3.4%, Odense, 0.2%.



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Vejle is the one declining at -1.3%, but also here we have a lot of new supply coming into a pretty small market, so that has a high impact. Tórshavn in the Faroe Islands is the strongest city, increasing with 16.4%, and was mainly positively affected by the European Arctic Summit in May. In Finland, all markets we cover in Finland are in growth this year so far. Finland is 2.3% year-to-date. Helsinki is 1/3 of the reported supply here at only 0.9% increase. The capital region holds the national figure down, actually. The growth is regional here. We see Vaasa increasing, Rovaniemi, Joensuu. Rovaniemi, the Arctic tourism, Santa Claus, bringing people still from all over the world to Rovaniemi. Also, a lot of increased direct flights this winter.



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Joensuu hosted a World Cup competition in biathlon, and that is obviously a huge impact for such a small market. What is really nice to see is that Finland markets, in general, looks really healthy right now. Last but not least, we will look into the future a little bit and the future bookings. This is a summary page. The data here is as per 1st of October, and we look 365 days ahead. So here we look into 2027 as well. We compare with on the books same time last year. I think we will move on into the cities' individual slides, and we start with Copenhagen here. The rooms on the books smoothened out by rolling seven days value. The occupancy booked right now for the coming year is 20.2%, and this is 11.8% higher compared to the same time last year.



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The ECCO Congress that was held in Stockholm 2026 is actually next year held in Copenhagen, and that can be seen already in the beginning of March here in the numbers. The orange dotted line show last year actual, indicating how much is still to be expected to be picked up. Moving to Stockholm, we have a pretty similar on the books compared to last year, but slightly down. As we just mentioned about the ECCO Congress, that is not coming back to Stockholm end of February. We can see that here in the last year numbers. EHA Congress could be seen at this time last year as well in the graph for June. Also, the concerts that I was mentioning before, the Bad Bunny concerts in Strawberry Arena, had already created demand at this time last year. It is not replaced really at the same time this year.



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In April, the ESCMID Congress can already be seen here, bringing bookings to Stockholm. But in total, Stockholm is 3.8% behind last year's on the books level right now. Moving on to Oslo, the men's EHF Euro Handball Championships in January could be seen this time last year. However, large part of the spring and the summer 2027 is right now below last year. The occupancy on the books in Oslo is right now 18.8% for the coming year, and that is 8.9% below last year same time. Moving on to Helsinki, showing a strong on the books for the coming year, up by 22.4%. In November, we have two NHL Global Series Finland games, which is creating a lot of demand into Helsinki. Mid-June is probably positively affected by the International Conference on Philosophical Practice that will take place in Helsinki.



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However, a general increase can be seen, and out of the next 365 days, 273 of them has a higher booked occupancy compared to same time last year. Then let's go to the island of Iceland and Reykjavik. The book is ahead of last year on 230 of the 365 days. The widest lead over last year is summer 2027. The demand that occurred for the solar eclipse can also be seen here clearly in the numbers from last year. However, even without a solar eclipse in the books this year, Reykjavik show a positive trend in hotel bookings right now, +4.6% versus same time last year. Thank you very much. That was all for me.



Operator

I hand the conference back to the speakers for any closing comments.



Liia Nõu

CEO | Pandox

Thank you, Aoife, and thank you, Henrik, for your appreciated hotel market updates. Thank you all for participating in this call. We really appreciate your time and interest in Pandox. Our year-end report for 2026 will be published on the 4th of February 2027. Finally, we would like to remind you of our Hotel Market Day on the 17th of November in Stockholm. We hope to see you there. Safe travels aend goodbye.