

A modern hotel room interior featuring a large bed with white linens, a wooden bedside table, a modern armchair, and a large window with sheer curtains. The room is decorated with framed artwork and a track lighting system. The overall aesthetic is minimalist and contemporary.

SCANDIC HOTELS

Q1 REPORT, APRIL 2022

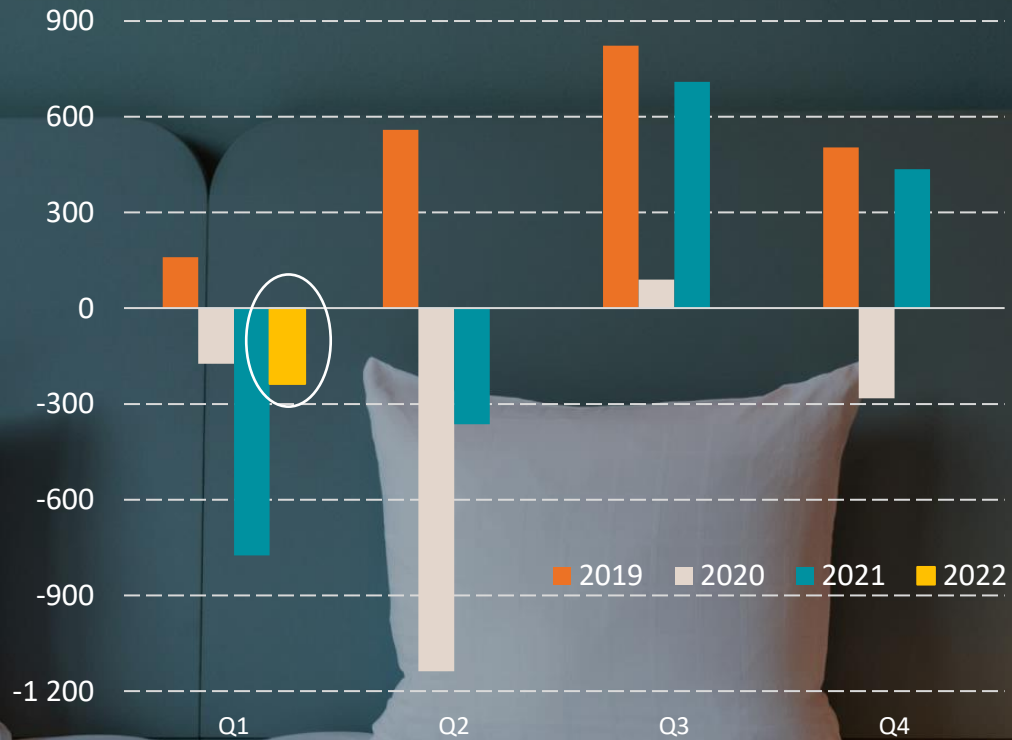
A QUARTER THAT ENDED STRONG

- Q1 ended on a positive note after a weak start
- Occupancy in April similar to March (53,5) despite Easter in April
- Several hotel openings in improved market in the coming months



SCANDIC – QUARTERLY ADJUSTED EBITDA

MSEK

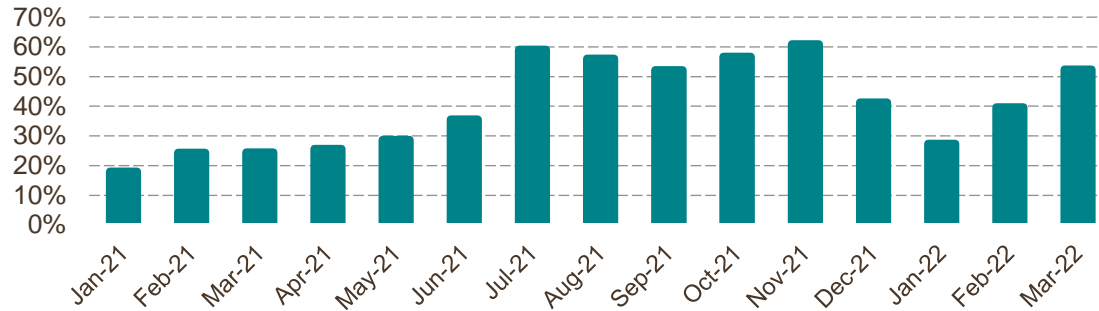


A SLOW START OF THE QUARTER

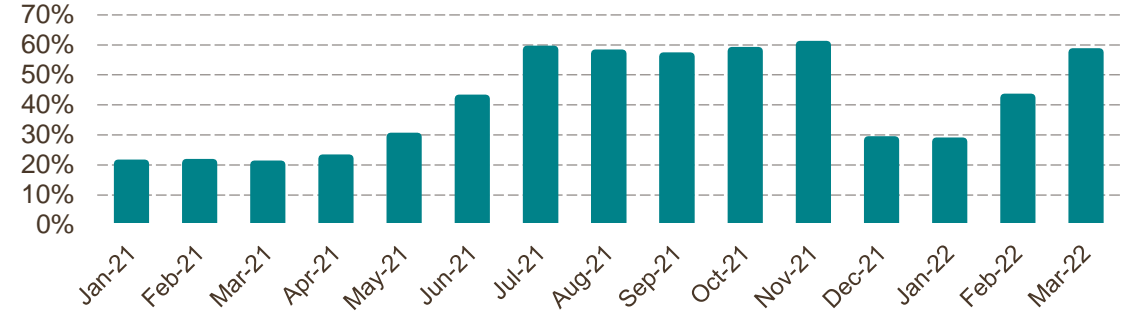
- Negative results in Q1 due to a slow start of the year
- Adjusted EBITDA positive in March
- Q1 is seasonally weak

MARKET IMPROVEMENT ON THE BACK OF LIFTED RESTRICTIONS

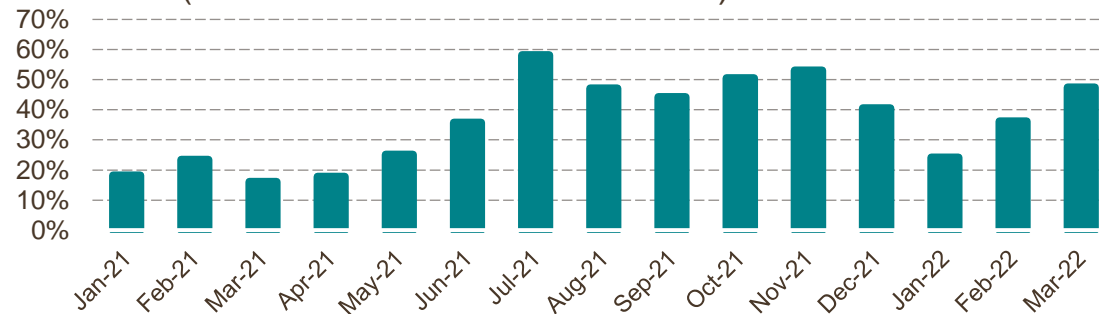
SWEDEN (TOTAL MARKET OCCUPANCY)



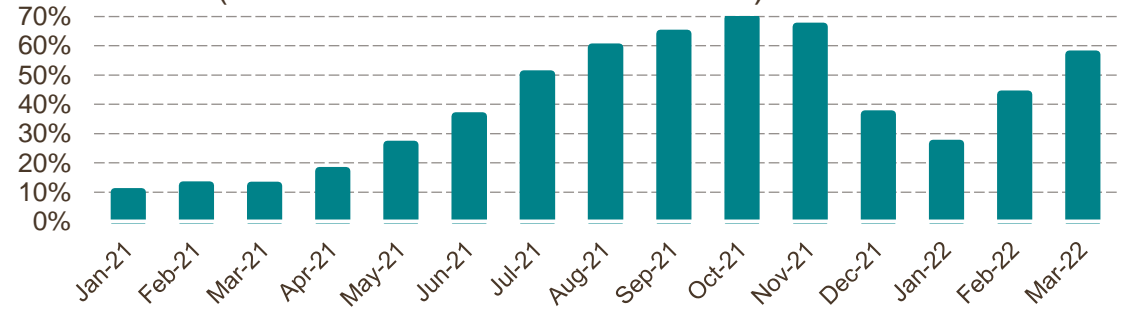
NORWAY (TOTAL MARKET OCCUPANCY)



FINLAND (TOTAL MARKET OCCUPANCY)



DENMARK (TOTAL MARKET OCCUPANCY)



Source: Benchmarking Alliance

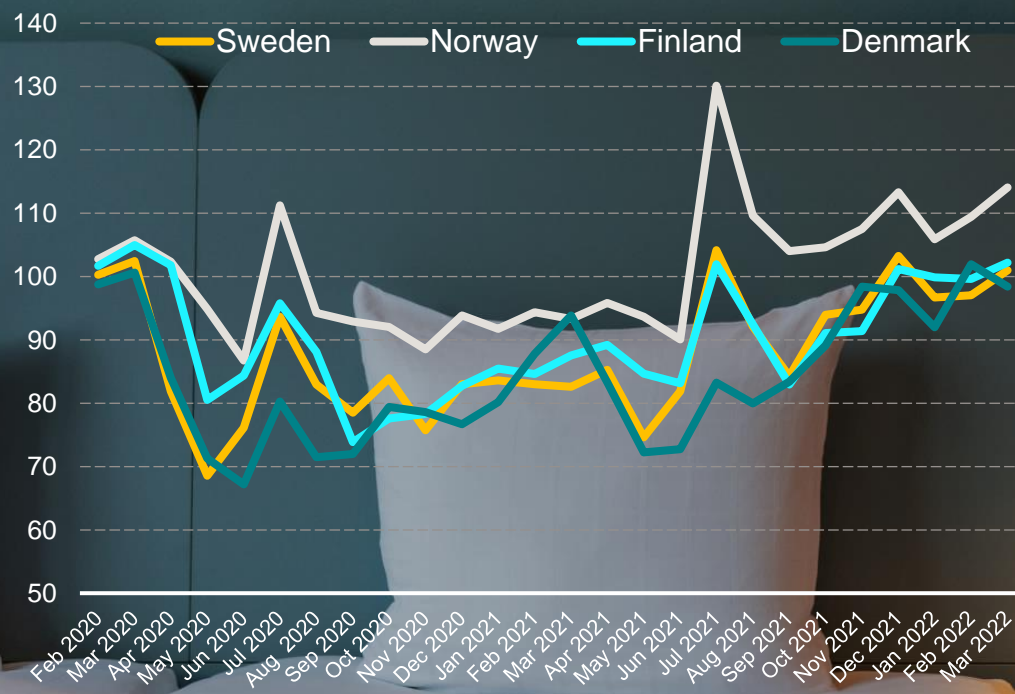
SCANDIC – OCCUPIED ROOMS, 7-DAY ROLLING



CONTINUED POSITIVE DEVELOPMENT IN APRIL

- Number of occupied rooms is now in line with 2019 levels

MARKET AVERAGE ROOM RATE DEVELOPMENT INDEXED TO CORRESPONDING MONTH 2019



POSITIVE TREND IN AVERAGE ROOM RATES

- Average room rates are at or above 2019 levels
- Development especially strong in Norway
- Important to compensate for cost inflation

A BUSY SECOND QUARTER

1. Scandic Kiruna – Kiruna, Sweden
2. Scandic Göteborg Central – Gothenburg, Sweden
3. Scandic Spectrum – Copenhagen, Denmark
4. Scandic Nørreport – Copenhagen, Denmark
5. Scandic Oceanhamnen – Helsingborg, Sweden
6. Scandic Holmenkollen Park – Oslo, Norway

SCANDIC KIRUNA
Kiruna, Sweden



SCANDIC GÖTEBORG CENTRAL
Gothenburg, Sweden



SCANDIC SPECTRUM
Copenhagen, Denmark



SCANDIC NØRREPORT
Copenhagen, Denmark



SCANDIC OCEANHAMNEN
Helsingborg, Sweden



SCANDIC HOLMENKOLLEN PARK
Oslo, Norway



SEVERAL OPENINGS IN FIRST HALF OF 2022

– AMBITION TO STRENGTHEN PIPELINE

Year	Hotel	Destination		No. of rooms	
Q2 2022	Scandic Kiruna	Kiruna, Sweden	New	230	
Q2 2022	Scandic Holmenkollen Park	Holmenkollen, Norway	Reopening	376	Reopening after renovation and extension
Q2 2022	Scandic Nørreport	Copenhagen, Denmark	New	100	
Q2 2022	Scandic Spectrum	Copenhagen, Denmark	New	632	
Q2 2022	Scandic Oceanhamnen	Helsingborg, Sweden	New	184	
Q2 2022	Scandic Göteborg Central	Gothenburg, Sweden	New	451	
Q3 2022	Scandic Helsinki Hub	Helsinki, Finland	New	350	
Q4 2022	Scandic München Macherei	Munich, Germany	New	234	Postponed opening
Q1 2023	Scandic Frankfurt Hafenpark	Frankfurt, Germany	New	505	
Q4 2024	Scandic Sundsvall Central	Sundsvall, Sweden	New	210	
Q1 2025	Scandic Aarhus Harbour	Aarhus, Denmark	New	350	Reconfigured
				3,622	
	Ongoing extensions			81	
	Exits			-362	
	Total net pipeline			3,341	

FINANCIAL UPDATE

RESULTS IMPACTED BY RESTRICTIONS AT START OF Q1

MSEK	Net sales		Adjusted EBITDA		Adjusted EBITDA margin	
	2022	2021	2022	2021	2022	2021
Sweden	827	319	-80	-214	-9.7%	-67.1%
Norway	961	319	135	-74	14.0%	-23.2%
Finland	562	209	-160	-217	-28.5%	-104.0%
Other Europe	383	83	-64	-194	-16.7%	-233.7%
Central costs & Group adj.	-	-	-68	-75	-	-
Group	2,733	930	-237	-775	-8.7%	-83.4%

- Q1 included state aid of 63 MSEK (247) mainly related to Other Europe
- Scandic Norway received wage subsidies of 90 MSEK in order to retain staff & avoid redundancies

	Q1
Adjusted EBITDA	-237
Change in working capital	-441
Paid tax	-34
Interest paid	-55
Pre-opening costs & other items	-27
Cash flow from operations	-794
Investments in existing operations	-58
Free cash flow before expansion capex	-852
Expansion capex	-145
Free cash flow	-997

SEASONALLY WEAK CASH FLOW

- Negative working capital development in Q1 due to reversal of the temporary effects of ca 600 MSEK in Q4 (payment delays and final rent settlement, etc.)

FINANCING ITEMS

DEBT

Net debt of 4,038 MSEK - total credit facility of 5,836 MSEK
Following amortization of 108 MSEK in Q1

WORKING CAPITAL

Liability related to deferred VAT and social costs of 500 MSEK to be repaid gradually from Oct 2022 to Apr 2027

CONVERTIBLE BOND

Maturity in October 2024, conversion price = 43,36
Potential dilution = 41,510,920 shares



NET FINANCIAL ITEMS, REPORTED VS. CASH FLOW

	Q1	FY 2021
Total financial net, reported	-453	-1,606
of which interest expenses, IFRS 16	-344	-1,194
Financial net excl. IFRS 16	-109	-412
Adjustments to paid financial items		
Interest expenses, convertible bond (non-cash)	36	101
Timing difference, interest on bank loans	21	-5
Other	-3	-18
Total adjustments	54	78
Paid financial items, net	-55	-334

- Reported financial net in Q4 was -453 MSEK (IFRS 16) & -109 MSEK excl. IFRS 16
- Non-cash convertible interest = -36 MSEK
- Paid financial items = -55 MSEK

CONCLUDING REMARKS



OUTLOOK

- Occupancy in April similar to March (53,5) despite Easter in April
- Solid booking situation
- Positive view for rest of year
- Focus on strengthening resilience to ensure higher and more stable earnings



Scandic