

A photograph of three women sitting on a dark green corded sofa in a modern hotel lounge. The woman on the left has dark hair and wears a white sweater and light trousers. The woman in the middle is older with white hair, wearing a black leather jacket over a white shirt and light trousers, holding a glass of whiskey. The woman on the right has blonde hair and wears a bright green silk blouse and dark jeans. They are all laughing and looking at each other. The background features large windows, indoor plants, and modern lighting. The text 'SCANDIC HOTELS' is overlaid in large white letters, and 'Q1 REPORT APRIL 27, 2023' is below it.

# SCANDIC HOTELS

Q1 REPORT APRIL 27, 2023

Scandic



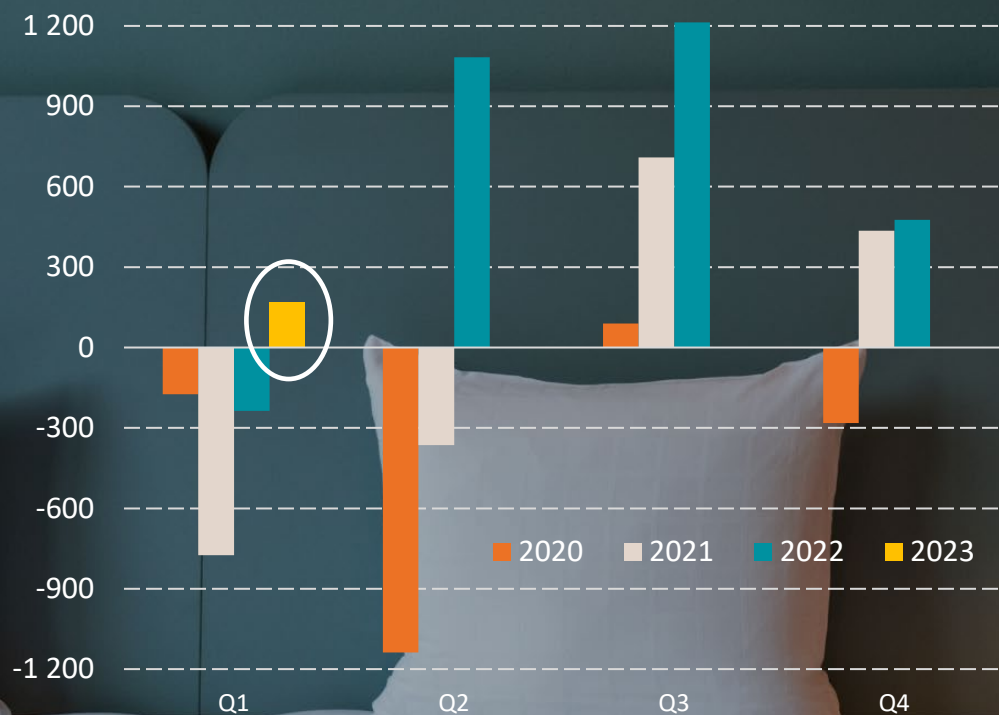
Scandic Park, Sweden

# STRONG FIRST QUARTER

- Strong improvement in net sales and results
- Good demand from corporate and leisure
- Increased room rates
- Improved cash flow and solid financial position
- Good operational performance

## QUARTERLY ADJUSTED EBITDA

MSEK

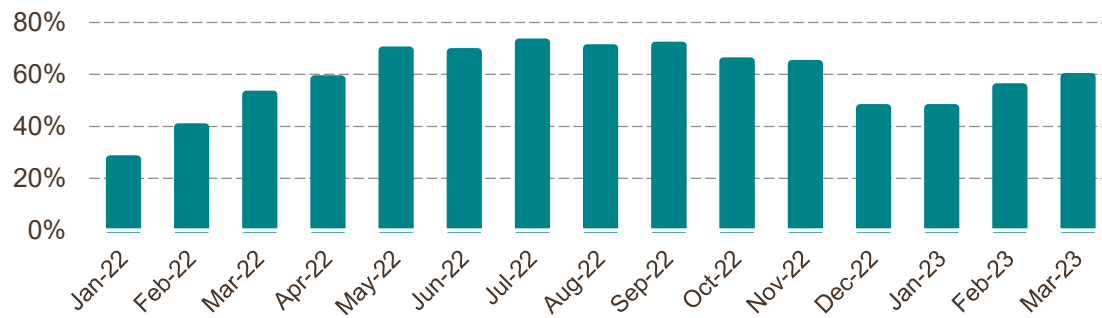


# IMPROVED RESULTS

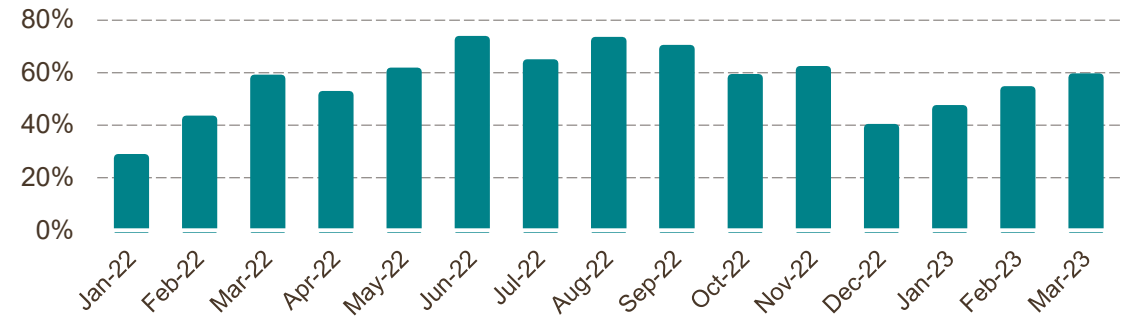
- Adjusted EBITDA of 170 (-237) MSEK
- All markets contributed with a positive adjusted EBITDA result

# THE HOTEL MARKET HAS HAD A GOOD START TO THE YEAR

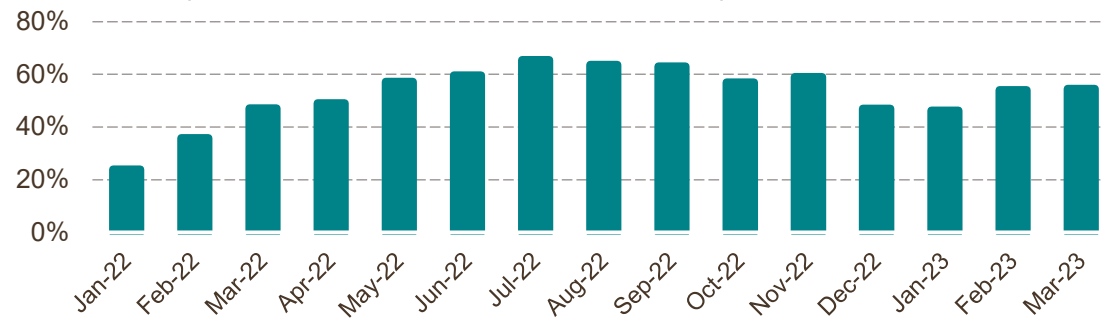
**SWEDEN (TOTAL MARKET OCCUPANCY)**



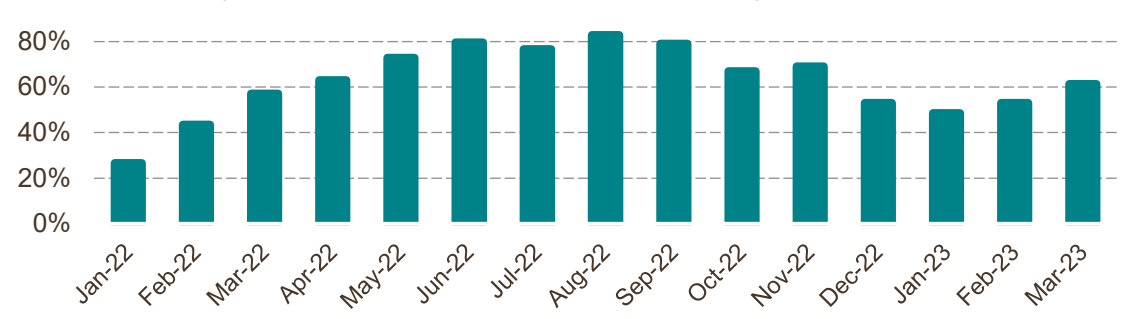
**NORWAY (TOTAL MARKET OCCUPANCY)**



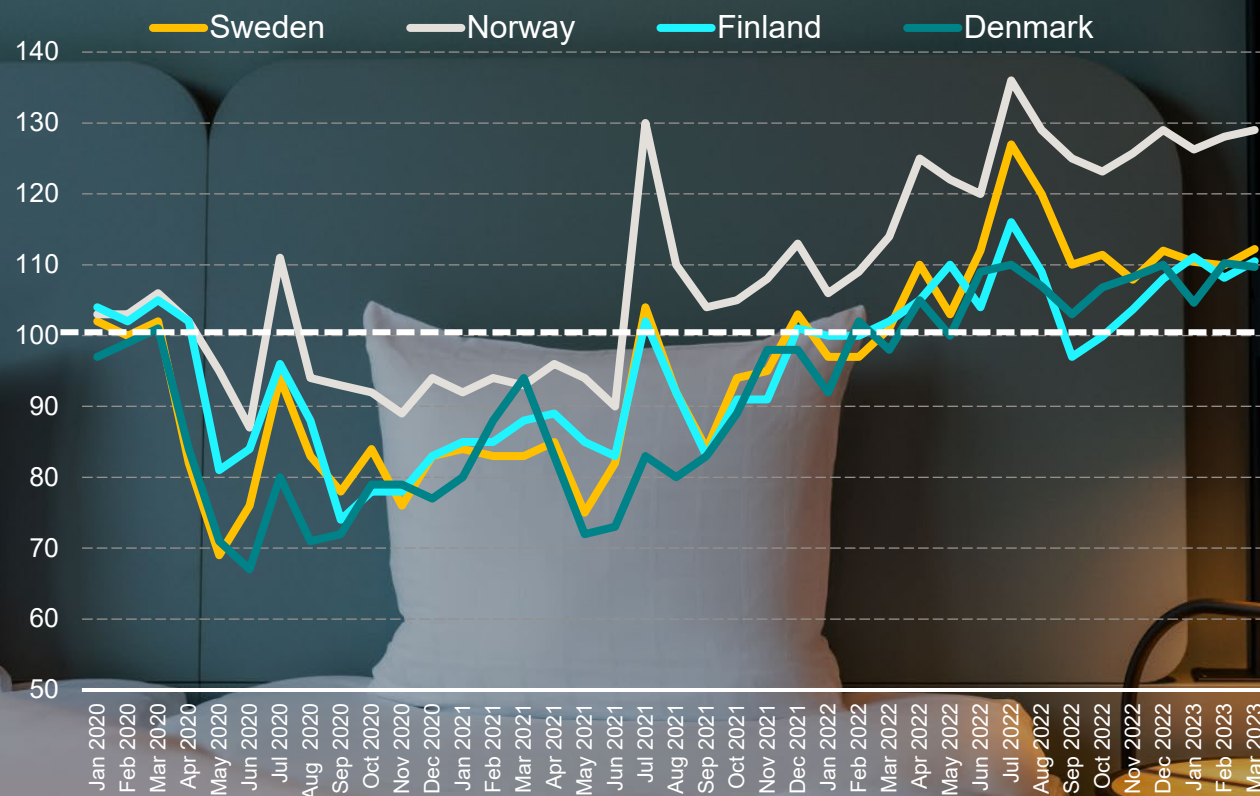
**FINLAND (TOTAL MARKET OCCUPANCY)**



**DENMARK (TOTAL MARKET OCCUPANCY)**



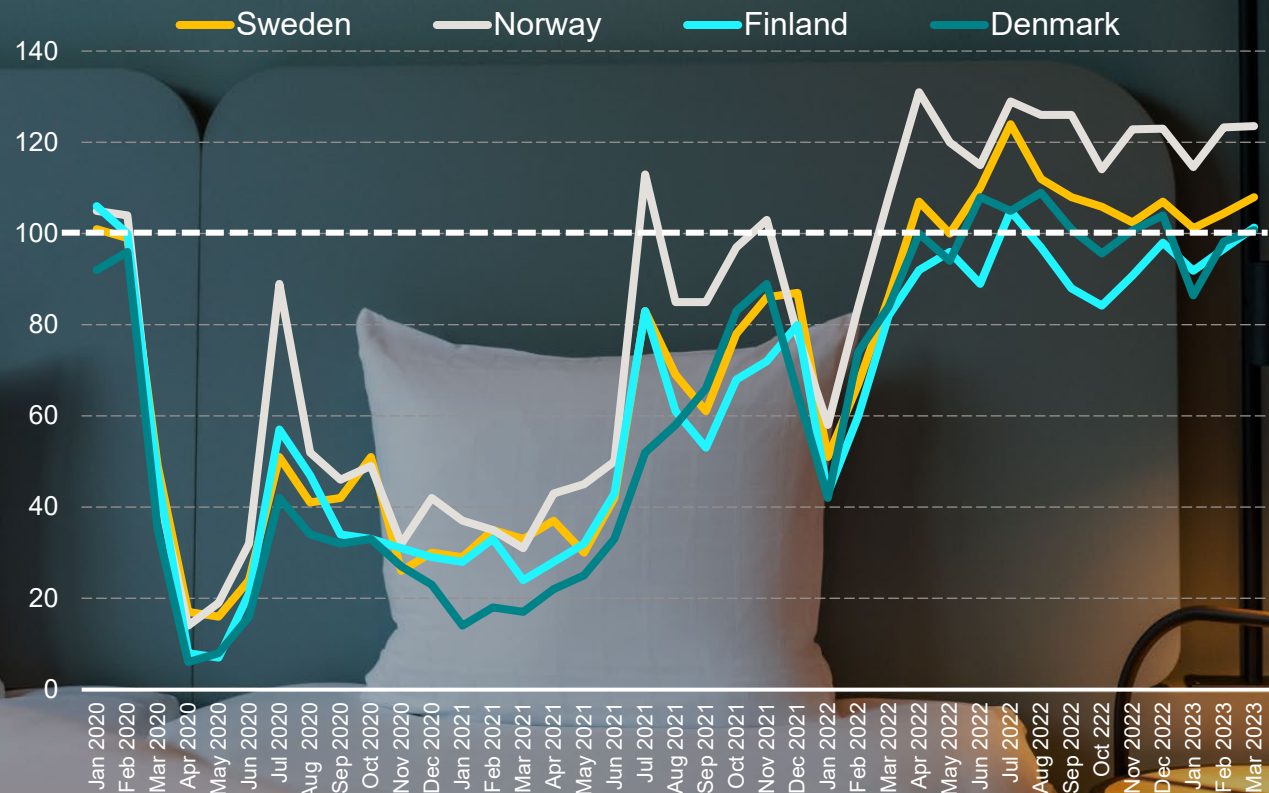
## MARKET AVERAGE ROOM RATE DEVELOPMENT INDEXED TO CORRESPONDING MONTH 2019



## INCREASED ROOM RATES

- Room rates on continued high levels

## MARKET REVPAR INDEXED TO CORRESPONDING MONTH 2019



## POSITIVE REVPAR DEVELOPMENT

- All markets above 2019 levels, driven by increased room rates

# ONE OPENING IN Q1 SCANDIC FRANKFURT HAFENPARK



**505  
HOTEL ROOMS**



**14  
MEETING ROOMS**



**320  
SEAT RESTAURANT**



**FOCUS ON  
SUSTAINABILITY**



# FOCUS ON GROWING PIPELINE

## Pipeline as of March 31, 2023

Year	Hotel	Destination		No. of rooms
Q3 2025	Scandic Vervet Tromsø	Tromsø, Norway	New	305
Q1 2026	Scandic in Ski	Oslo, Norway	New	220
Q1 2026	Scandic Aarhus Harbour	Aarhus, Denmark	New	342
				867
	Ongoing extensions			144
	Closed for renovation <sup>1</sup>			513
	Exits			-731
	<b>Total net pipeline</b>			<b>793</b>

1) Refers to the existing hotels Scandic Ariadne and Scandic Norra Bantorget, that are currently closed for renovation.

# SCANDIC GO

- New brand with a sustainable, smart and lean offering in the fast-growing economy segment
- A complement to Scandic's full-service offering that broadens the addressable market
- Enables great growth potential, higher margins and increased capital efficiency
- Ambition to sign 1,000-1,500 new rooms per year and to establish a leading position over time
- First Scandic Go to be opened in central Stockholm, September 2023



Scandic Go

**New hotel  
in Stockholm**  
Opening soon



**I'm out on  
adventures**  
Please clean  
my room

A man with short dark hair and glasses, wearing a bright orange button-down shirt, is sitting at a dark, speckled table in a modern cafe. He is smiling and looking at a laptop, with his hands on the keyboard. To his left is a small white cup of coffee. In the background, other people are seated at tables, and large windows let in natural light. The overall atmosphere is professional yet relaxed.

# FINANCIAL UPDATE

MSEK	Net sales		Adjusted EBITDA		Adjusted EBITDA margin	
	Q1 2023	Q1 2022	Q1 2023	Q1 2022	Q1 2023	Q1 2022
Sweden	1,388	827	95	-80	6.8%	-9.7%
Norway	1,313	961	152	135	11.5%	14.0%
Finland	1,053	562	19	-160	1.8%	-28.5%
Other Europe	771	383	8	-64	1.0%	-16.7%
Central costs and group adj.	-	-	-104	-68	-	-
<b>Group</b>	<b>4,526</b>	<b>2,733</b>	<b>170</b>	<b>-237</b>	<b>3.8%</b>	<b>-8.7%</b>

## IMPROVED NET SALES & RESULTS

- Net sales increased 66% to 4,526 MSEK (2,733)
- Adj.EBITDA increased to 170 MSEK (-237), resulting in a margin of 3.8% (-8.7)
- Excl.one-offs, adj.EBITDA margin improved to 2.9% (-12.5)

MSEK	Q1 2023	Q1 2022
<b>Adjusted EBITDA</b>	<b>170</b>	<b>-237</b>
Change in working capital	-370	-441
Paid tax	-50	-34
Interest paid	-14	-55
Pre-opening costs & other items	-14	-27
<b>Cash flow from operations</b>	<b>-265</b>	<b>-794</b>
Investments in existing operations	-75	-58
<b>Free cash flow before expansion capex</b>	<b>-339</b>	<b>-852</b>
Expansion capex	-17	-145
<b>Free cash flow</b>	<b>-356</b>	<b>-997</b>

## IMPROVED CASH FLOW

- Free cash flow improved to -356 MSEK (-997), driven by higher turnover and improved results
- Working capital affected by repayment of 450 MSEK in variable rent liabilities for 2022

# FINANCING ITEMS Q1

## DEBT

- Net debt of 3,389 MSEK<sup>1</sup>
- Net debt/adjusted EBITDA of 1.2x (0.6x excluding the convertible bond)
- Total credit facility of 3,450 MSEK

## WORKING CAPITAL

- Repayment of 450 MSEK in variable rent liabilities for 2022
- Liabilities related to variable rent of approximately 270 MSEK, majority to be settled in Q2 2023

## CONVERTIBLE BOND

- Maturity in October 2024, conversion price = 43.36 SEK
- Potential dilution = 41,464,787 shares

## NEW FINANCING

- Credit facility: 3,450 MSEK
- Maturity: 31 December 2025
- Under certain conditions: opportunity to finance all or part of the convertible loan

1) Includes the convertible bond of 1,524 MSEK and 880 MSEK in other interest-bearing liabilities related to deferred VAT payments and social security contributions in Sweden.

MSEK	Q1 2023	Q1 2022
<b>Total financial net, reported</b>	<b>-522</b>	<b>-453</b>
of which interest expenses, IFRS 16	-431	-344
<b>Financial net excl. IFRS 16</b>	<b>-91</b>	<b>-109</b>
<b>Adjustments to paid financial items</b>		
Interest expenses, convertible bond (non-cash)	40	36
Timing difference, interest on bank loans	10	21
Other	-6	-3
<b>Total adjustments</b>	<b>44</b>	<b>54</b>
<b>Cash financial items, net</b>	<b>-47</b>	<b>-55</b>

## NET FINANCIAL ITEMS, REPORTED VS. CASH FLOW

- Reported financial net amounted to -522 MSEK incl. IFRS 16 and -91 MSEK excl. IFRS 16
- Non-cash convertible interest amounted to 40 MSEK
- Cash financial items totaled -47 MSEK

A photograph of two men standing in a modern, warmly lit interior space, possibly a hotel lobby or a contemporary office. The man on the left has long blonde hair tied back and is wearing a bright orange sweater under a dark blue quilted vest. The man on the right has short dark hair, wears glasses, and is dressed in a grey sweater under a dark blue button-up jacket. He is carrying a light green messenger bag. Both men are smiling and looking at each other. In the background, there is a reception desk with a computer monitor and a modern lamp, and a hallway leading away. The overall atmosphere is professional yet friendly.

# CONCLUDING REMARKS



Scandic Park, Sweden

# OUTLOOK

- Based on current bookings, we expect good demand in line with last year for the spring and the upcoming summer months
- For the second quarter, we anticipate occupancy levels in line with last year at higher room rates
- We also expect a good quarter for meetings and events and continued high efficiency in our operations



# Scandic