SCANDIC HOTELS
Q1 2021

Scandic

PREPARED FOR RECOVERY

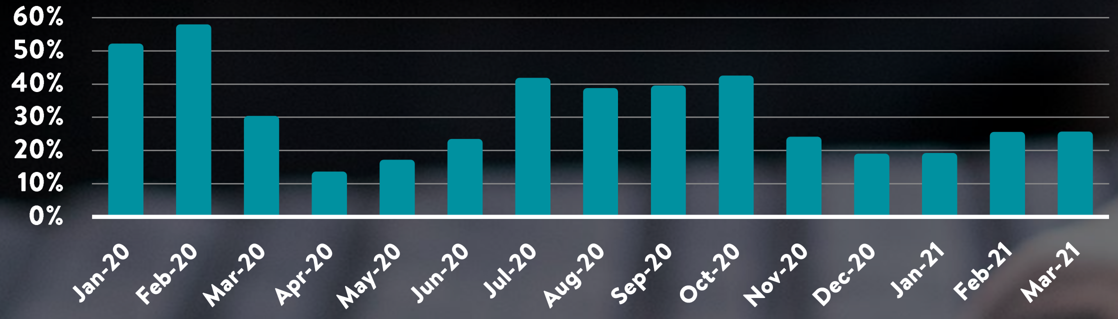
EXPECTED RECOVERY BEFORE SUMMER

MEASURES IN PLACE TO CAPTURE DEMAND

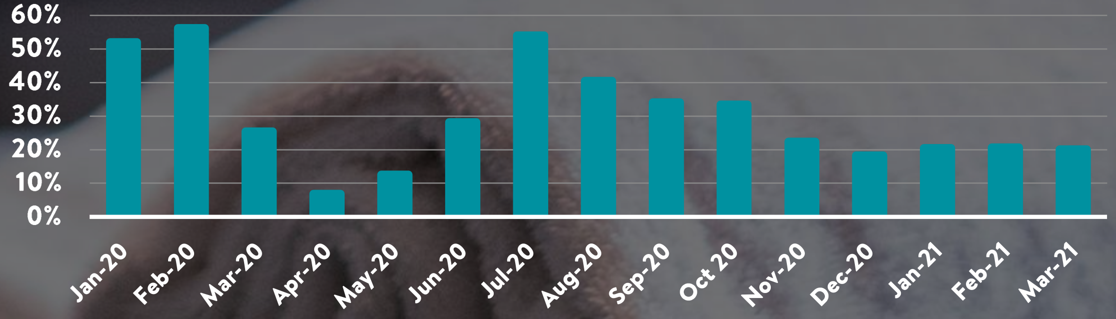
EXTENDED LIQUIDITY HEADROOM

MARKET OCCUPANCY WEAK AS EXPECTED DURING Q1

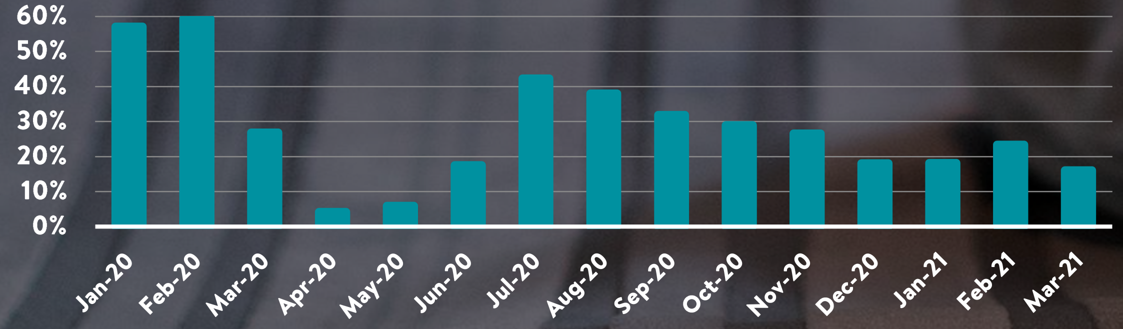
SWEDEN (TOTAL MARKET OCCUPANCY)



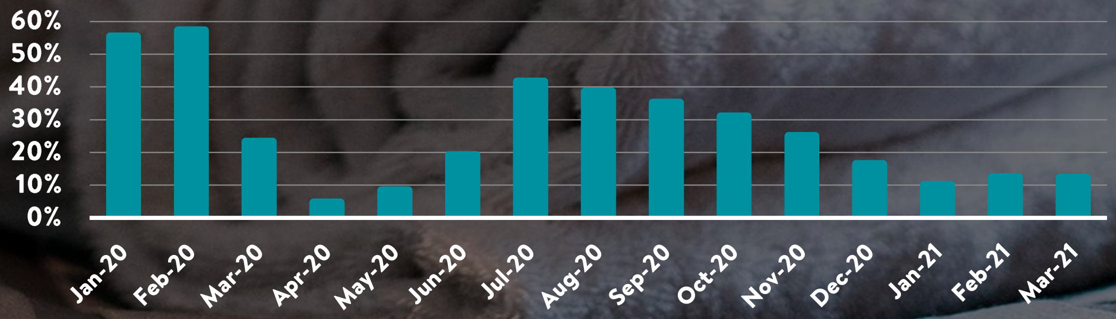
NORWAY (TOTAL MARKET OCCUPANCY)



FINLAND (TOTAL MARKET OCCUPANCY)



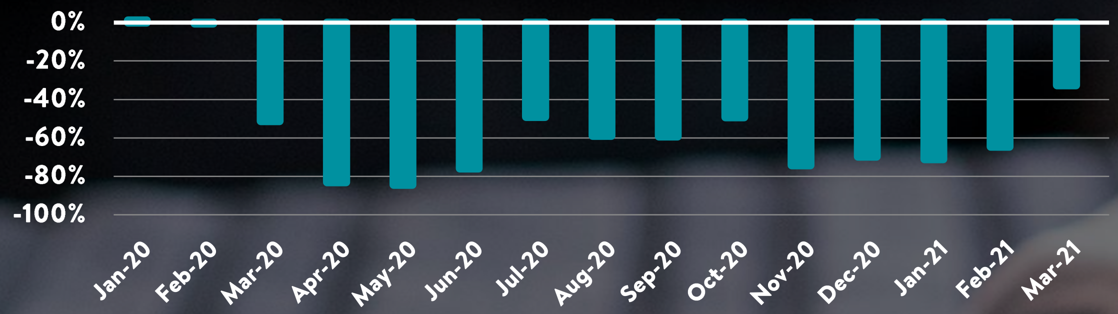
DENMARK (TOTAL MARKET OCCUPANCY)



Source: Benchmarking Alliance

IMPROVED REVPAR TREND IN MARCH DUE TO EASIER Y-O-Y COMPARISONS

SWEDEN (Y-O-Y CHANGE IN MARKET REVPAR)



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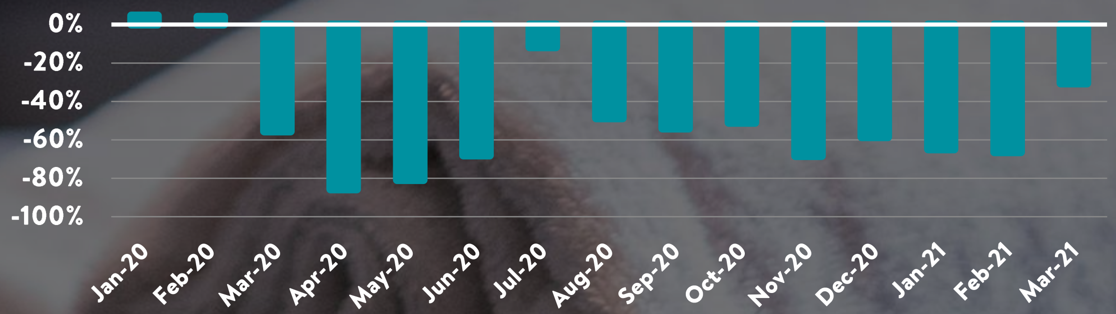

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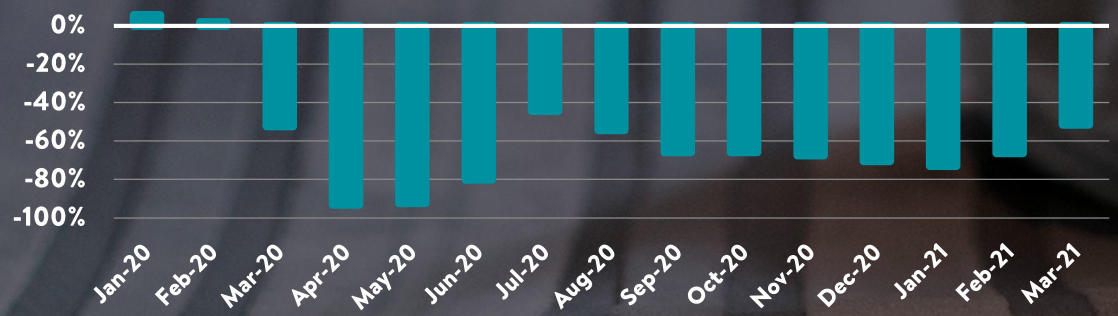

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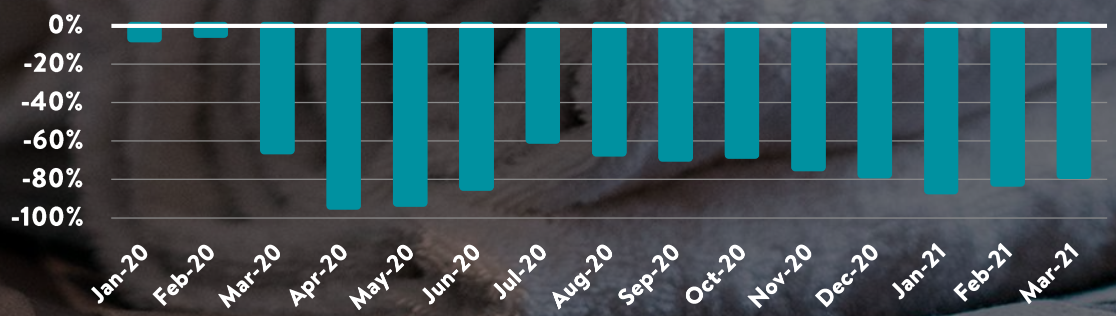
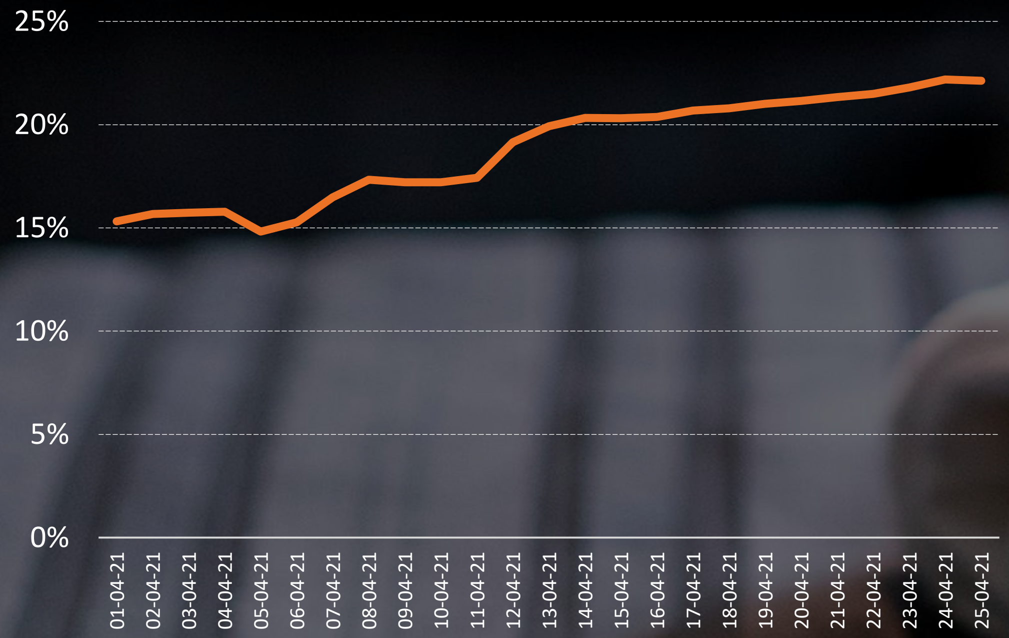


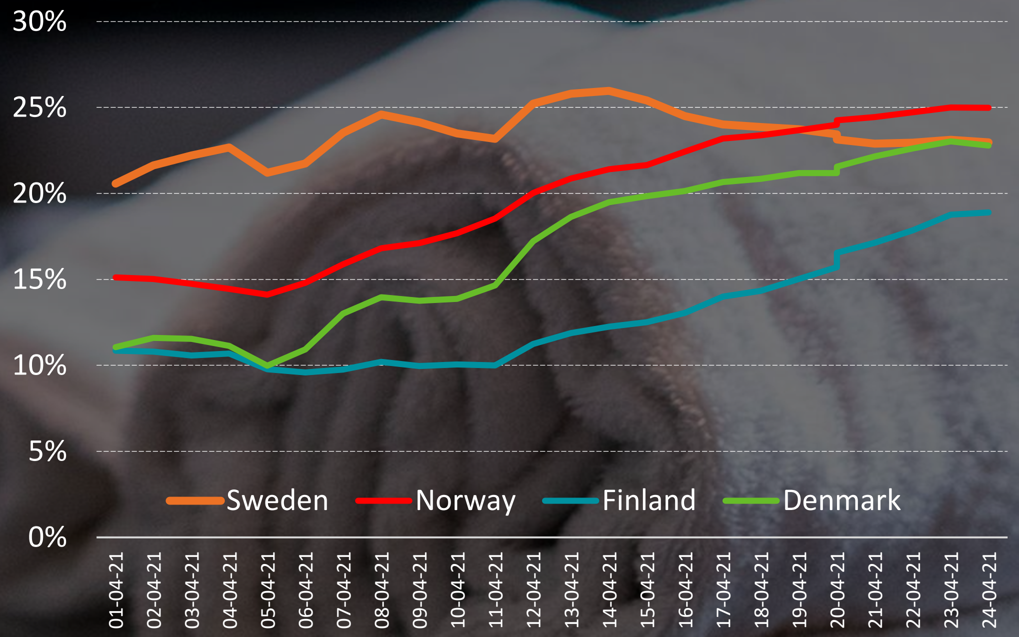
Source: Benchmarking Alliance

SLIGHT IMPROVEMENT

SCANDIC – OCCUPANCY, 7-DAY ROLLING AVERAGE



SCANDIC – 7 DAY ROLLING OCCCUPANCY PER MARKET



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EXPECTED RECOVERY

Q2

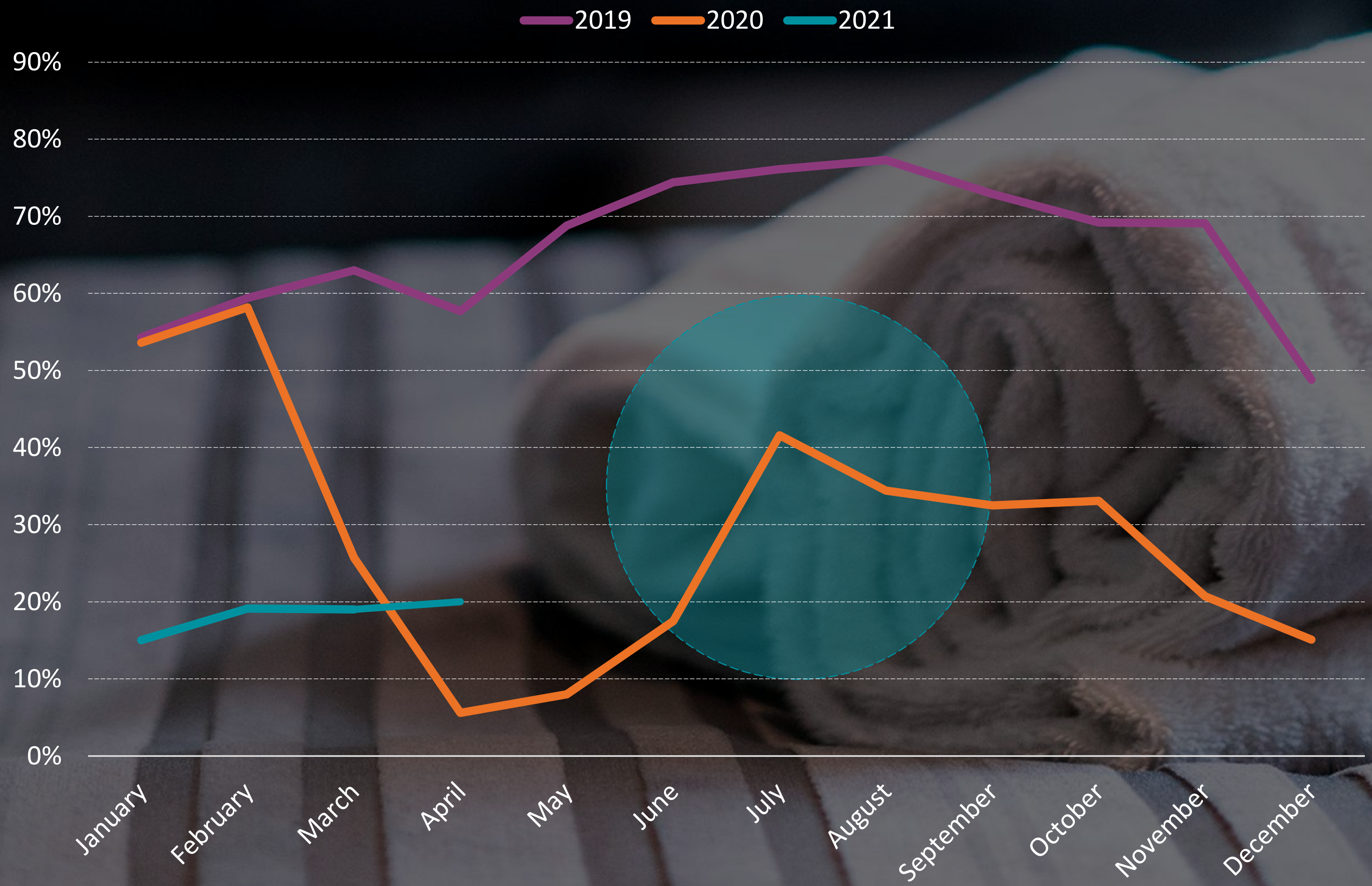
- **VACCINATIONS GAINING MOMENTUM**
- **IMPROVED COVID-19 DATA**
- **RESTRICTIONS GRADUALLY BEING EASED**
- **OCCUPANCY INCREASES DRIVEN BY DOMESTIC DEMAND**
- **GRADUAL INCREASE IN THE PACE OF RECOVERY**

H2

- **OCCUPANCY IN SUMMER EXPECTED TO EXCEED LAST YEAR'S LEVEL**
- **GRADUAL MARKET STABILIZATION**
- **INTRA-NORDIC BUSINESS TRAVEL**
- **MEETINGS, SPORTS & CULTURAL EVENTS**
- **STILL LIMITED INTERNATIONAL TRAVEL**
- **POSITIVE CASH FLOW EXPECTED IN Q3**

OCCUPANCY 20% IN APRIL, EXPECTED TO EXCEED LAST YEAR'S LEVEL IN SUMMER…

SCANDIC – OCCUPANCY



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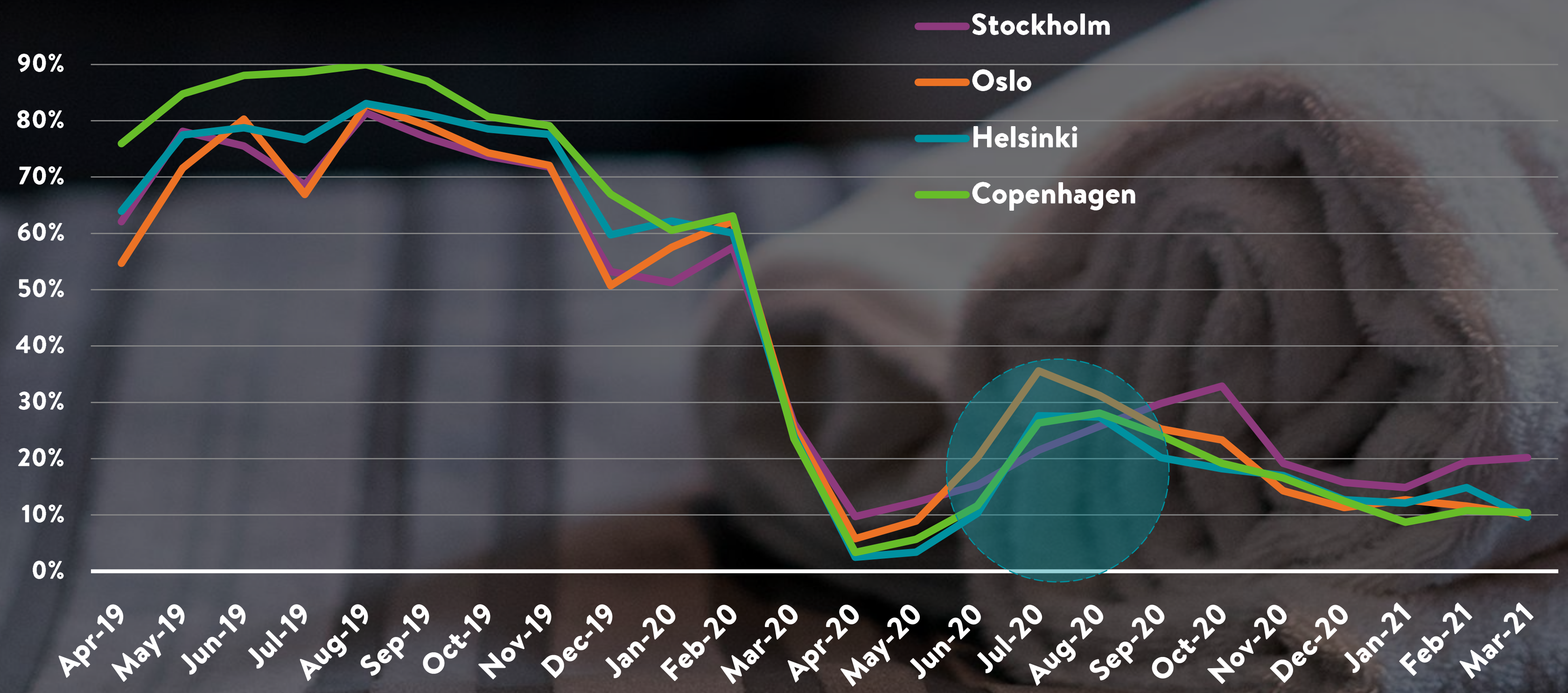
...AS WE EXPECT HIGHER OCCUPANCY IN THE CAPITAL CITIES

In July-August 2020, average occupancy in the Nordic capitals was only ~27%

MARKET OCCUPANCY IN NORDIC CAPITAL CITIES



Source: Benchmarking Alliance

HIGH-QUALITY PIPELINE

Year	Hotel	Destination		No. of Rooms	
April 2021	Scandic Grand Central Helsinki	Helsinki, Finland	New	491	**Opened in April**
May 2021	Scandic Strandpark (Copenhagen Airport)	Copenhagen, Denmark	New	357	
May 2021	Scandic Landvetter Airport	Gothenburg, Sweden	New	223	
September 2021	Scandic Nørreport	Copenhagen, Denmark	New	100	
October 2021	Scandic Hamburger Börs	Turku, Finland	Take-over	272	
Q1 2022	Scandic Holmenkollen Park	Holmenkollen, Norway	Re-opening	343	**Reopening after renovation and extension**
Q1 2022	Scandic Macherei	Munich, Germany	New	234	
Q1 2022	Scandic Spectrum	Copenhagen, Denmark	New	632	**Postponed from Q4 2021 to Q1 2022**
Q1 2022	Scandic Örebro Central	Örebro, Sweden	New	160	
Q2 2022	Scandic Helsingborg Harbour	Helsingborg, Sweden	New	184	**Postponed from Q1 2022 to Q2 2022**
Q2 2022	Scandic Platinan	Gothenburg, Sweden	New	451	
Q2 2022	Scandic Ferrum	Kiruna, Sweden	New	230	
Q3 2022	Scandic Avenue	Helsinki, Finland	New	350	
Q1 2023	Scandic Hafenpark	Frankfurt, Germany	New	505	
Q3 2024	Scandic Aarhus Harbour	Aarhus, Denmark	New	485	**Likely to be reconfigured**
	Ongoing extensions			157	
	Exits			**-353**	
	Total net pipeline			**4,821**	

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FINANCIAL UPDATE

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NET SALES DOWN BY 72% IN Q1

	Jan-Mar 2021	Jan-Mar 2020	%
Net sales	**930**	**3,343**	**-72.2%**
FX	-27		-0.8%
Organic	-2,387		-71.4%
New hotels	18		0.5%
Exited hotels	-70		-2.1%
Like-for like	**-2,336**		**-69.9%**

ORGANIC SALES DEVELOPMENT PER SEGMENT

	Q1
Sweden	-72.3%
Norway	-62.8%
Finland	-73.5%
Other Europe	-81.4%
Total	**-71.4%**

STATE AID & RENT DISCOUNTS IN Q1

TOTAL DIRECT STATE AID IN Q1: 247 MSEK, OF WHICH SUPPORT FOR RENT OF 145 MSEK

ADDITIONAL ~250 MSEK STATE AID EXPECTED IN Q2

SWEDEN:	97 MSEK
NORWAY:	124 MSEK
FINLAND:	0 MSEK
OTHER:	26 MSEK

RENT DISCOUNTS IN Q1: 143 MSEK

SIMILAR LEVEL OF DISCOUNTS EXPTECTED IN Q2

SIGNIFICANT NEGATIVE ADJUSTED EBITDA DESPITE STATE AID

January-March	Net sales		Adjusted EBITDA			Adjusted EBITDA %	
MSEK	2021	2020	2021	*2021 ex. state aid*	2020	2021	2020
Sweden	319	1,154	-214	*-311*	1	-67.1%	0.1%
Norway	319	888	-74	*-198*	-64	-23.2%	-7.2%
Finland	209	833	-217	*-217*	36	-104.0%	4.3%
Other Europe	83	468	-194	*-220*	-40	-233.6%	-8.5%
Central costs & Group adj.	-	-	-75	*-75*	-107	-	-
Group	**930**	**3,343**	**-775**	***-1,021***	**-174**	**-83.4%**	**-5.2%**

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CASH OUTFLOW IN Q1

	Q1
Adjusted EBITDA	-775
Change in working capital	-4
Paid tax	-50
Interest, pre-opening costs and other items	-66
Cash flow from operations	**-895**
Investments in existing operations	-21
Free cash flow before expansion capex	**-917**
Expansion capex	-64
Free cash flow	**-980**
Net debt	**5,768**
Available liquidity on March 31	**850**

DEFERRED LIABILITIES TO LANDLORDS REDUCED IN Q1

DEFERRED VAT & SOCIAL SECURITY FEES INCREASED DUE TO PAYMENT RESPITE IN SWEDEN

TOTAL CAPEX 85 MSEK

AVAILABLE LIQUIDITY AT END OF Q1 WAS 850 MSEK (BEFORE CONVERTIBLE BOND ISSUE)

SENSITIVITY ANALYSIS DURING RECOVERY PHASE

ESTIMATED IMPACT ON MONTHLY ADJUSTED EBITDA & CASH FLOW FROM 1PP CHANGE IN OCCUPANCY	~10-15 MSEK
ESTIMATED ADJUSTED EBITDA BREAK-EVEN	~40% OCC
ESTIMATED CASH FLOW BREAK-EVEN	~50% OCC

STRENGTHENED FINANCING

CONVERTIBLE

- Gross proceeds: 1,609 MSEK
- Conversion price: SEK 43.3621
- Yield to maturity: 3.25% (no coupon)
- Issue price: 89.41% of par value
- Expiry date: October 8, 2024
- Maximum dilution: 41.5m shares (17,83%)

EXTENDED CREDIT FACILITIES

- Total facilities extended until December 31, 2023
- Certain adjustments of terms

IFRS ACCOUNTING EFFECTS

LEASEHOLD ACCOUNTING

Due to temporary rent discounts and extended maturity of lease portfolio, the negative IFRS impact on net result is expected to increase to -560 MSEK for 2021

With the current portfolio, the negative impact will diminish over time and become positive from 2027

CONVERTIBLE BOND

Estimated interest cost in P&L ~10%, no coupon
Debt/equity split in balance sheet: 78% / 22%
Full dilution in EPS calculation when EPS becomes positive

CONCLUDING REMARKS

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SCANDIC IS PREPARED FOR RECOVERY

GUEST OFFERING

- BROAD MID MARKET OFFERING
- HIGH FOCUS ON DOMESTIC GUESTS
- DEVELOPED OFFERING TO CAPTURE GROWING LEISURE DEMAND

LOW COST BASE

- ENTERING RECOVERY WITH LOW COST BASE
- SUSTAINABLE COST REDUCTIONS, ESPECIALLY WITHIN GROUP FUNCTIONS & COUNTRY SUPPORT OFFICES


THANK YOU!
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