



# Host Property Market update 2Q 2022

7 July, 2022





## Host Property – Highlights 2Q 2022

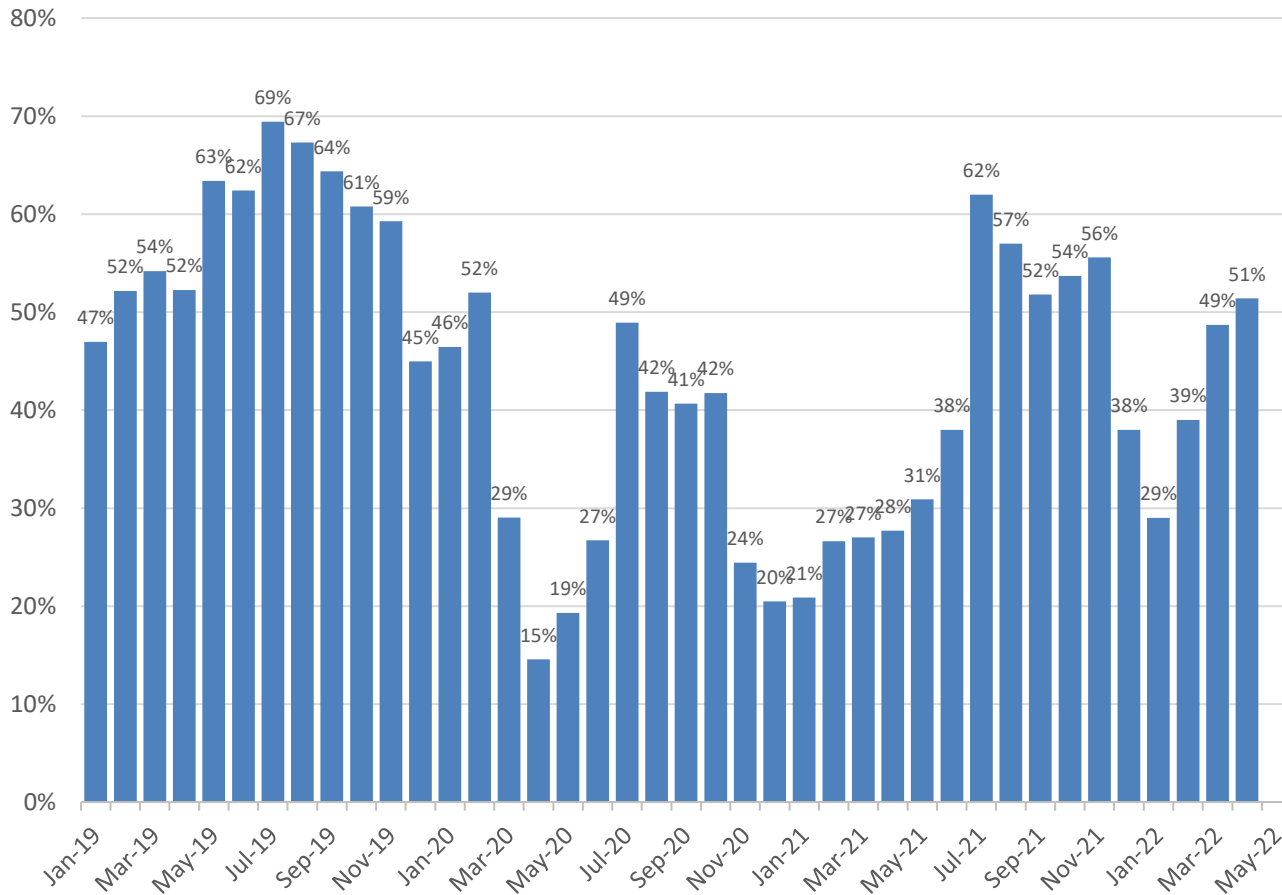


### Strong development

- Strong market development during the quarter – hotel market activity above pre-COVID-19 levels
- Strong Host Property development – 2Q22 REVPAR 12% above 2Q19 (“normalized”) levels
- 12 months of revenues (REVPAR) in line or above pre-COVID-19 levels
- Strong development in revenues and cash revenues – 2Q22 cash revenues at SEK 12 million
- Strong bookings going into the summer and 3Q 2022 in general
- Stronger profitability and cash flow in Host Property than before COVID-19 – including more efficient operations
- **Host Property 2Q 2022 results to be published by the end of July 2022**



## Hotel markets statistics – Sweden (Tilvaxtverket)

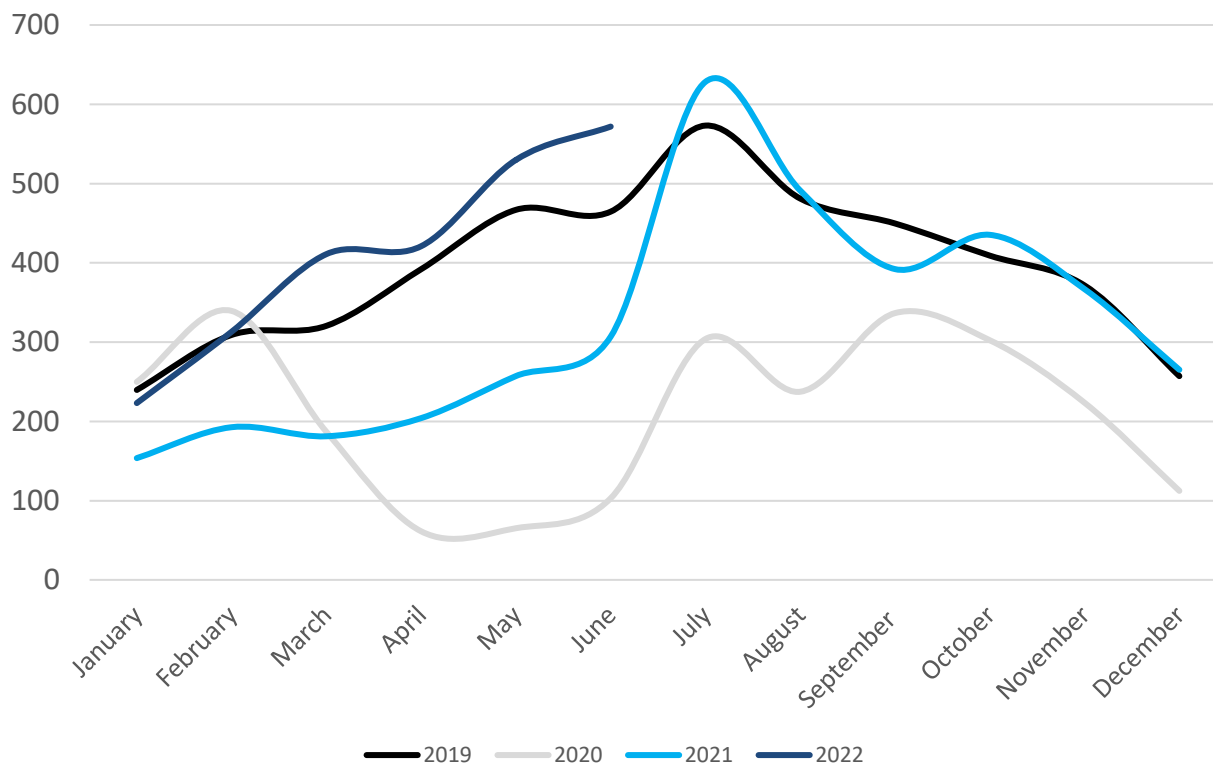


### Comments

- Positive market development 2022 year to date after short term dip in market in January and February 2022 (omicron)
- Strong market development in May and June (statistics not published)
- Strong market updates from peer hotel operators and owners during the second quarter 2022



## Host Property – REVPAR – SEK

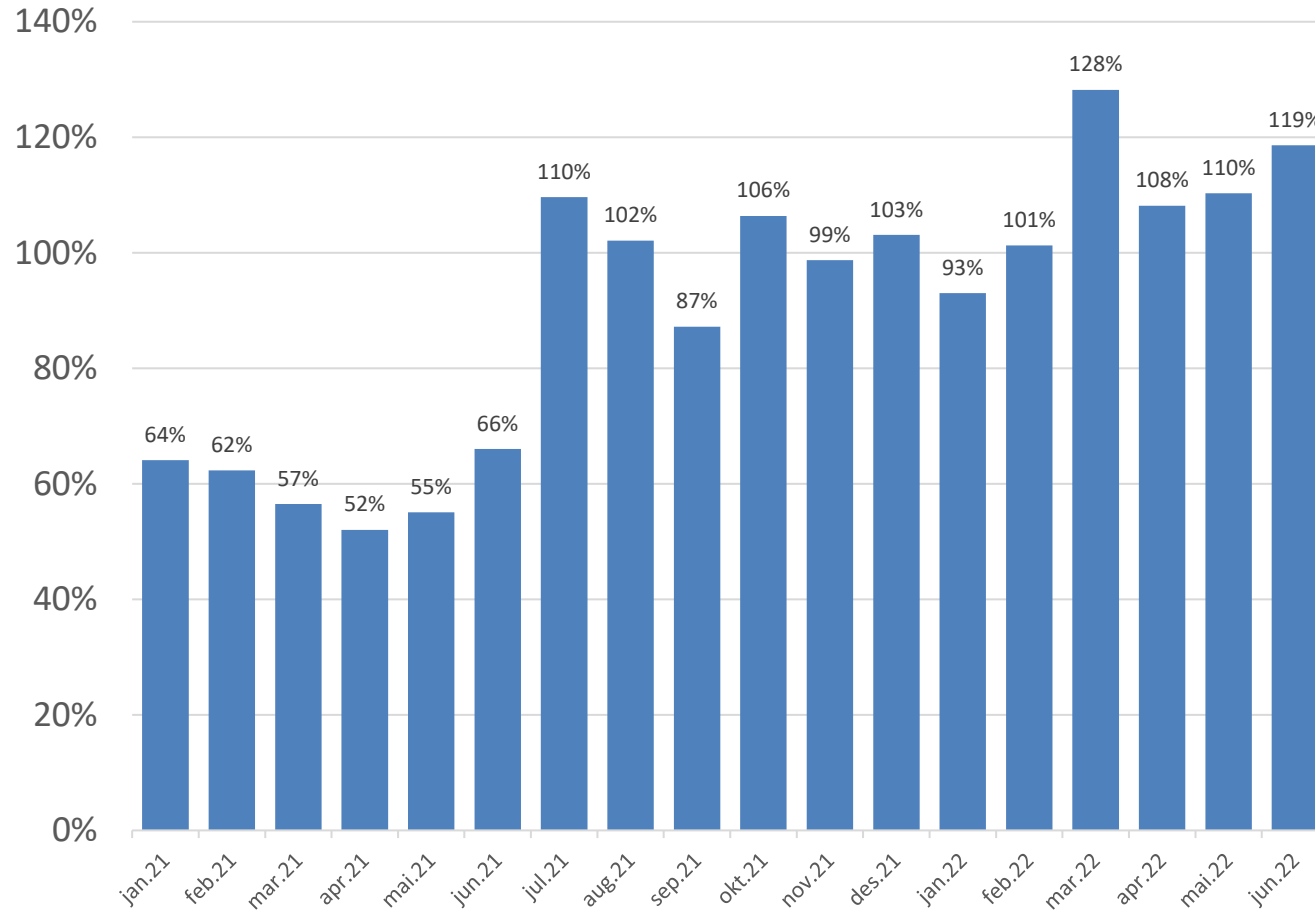


### REVPAR Host Property

- Host Property 2Q22 REVPAR – All time high levels – substantially above pre-COVID-19 levels
- Strong development in revenues (REVPAR) from June 2021 to current date (long term positive trend)
- 12 months of revenues (REVPAR) in line or above pre-COVID-19 levels
- Strong bookings going forward, summer and early fall strong bookings (“on the books”) – above 2019 levels



## Host Property – REVPAR – 2021 and 2022 vs. 2019 / “normalized markets”



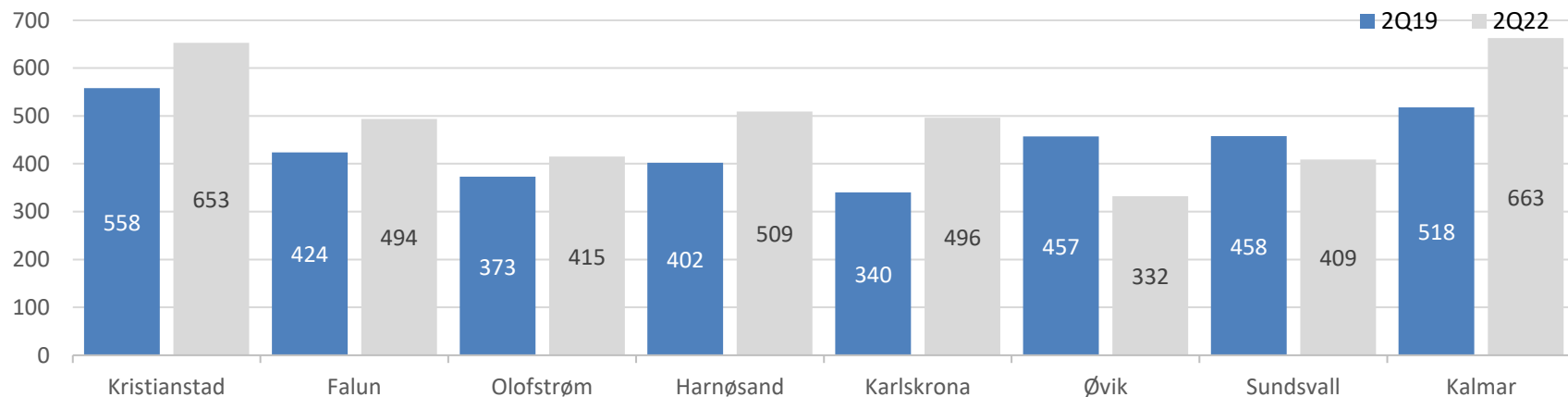
### REVPAR Host Property

- Normalized markets since late June 2021
- Strong visibility in summer and early fall bookings – above pre-covid-19 levels
- REVPAR 8-28% above 2019 levels (“normalized markets2”) from March to end of June 2022



## Host Property – Key hotel trading and profitability figures

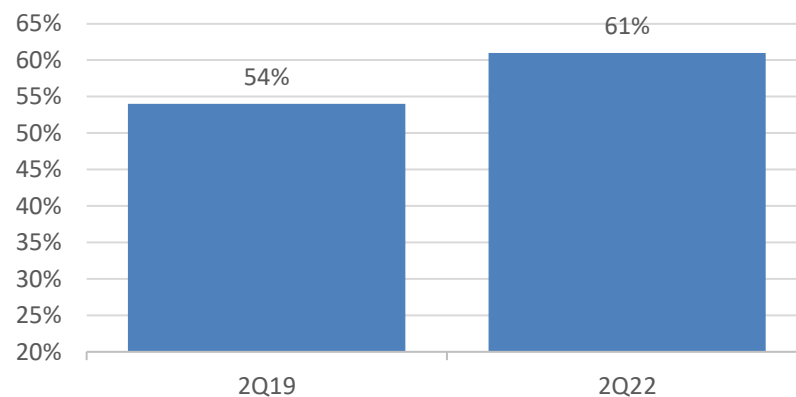
REVPAR 2Q2022 vs 2Q2019 - SEK



### Key hotel trading figures \*

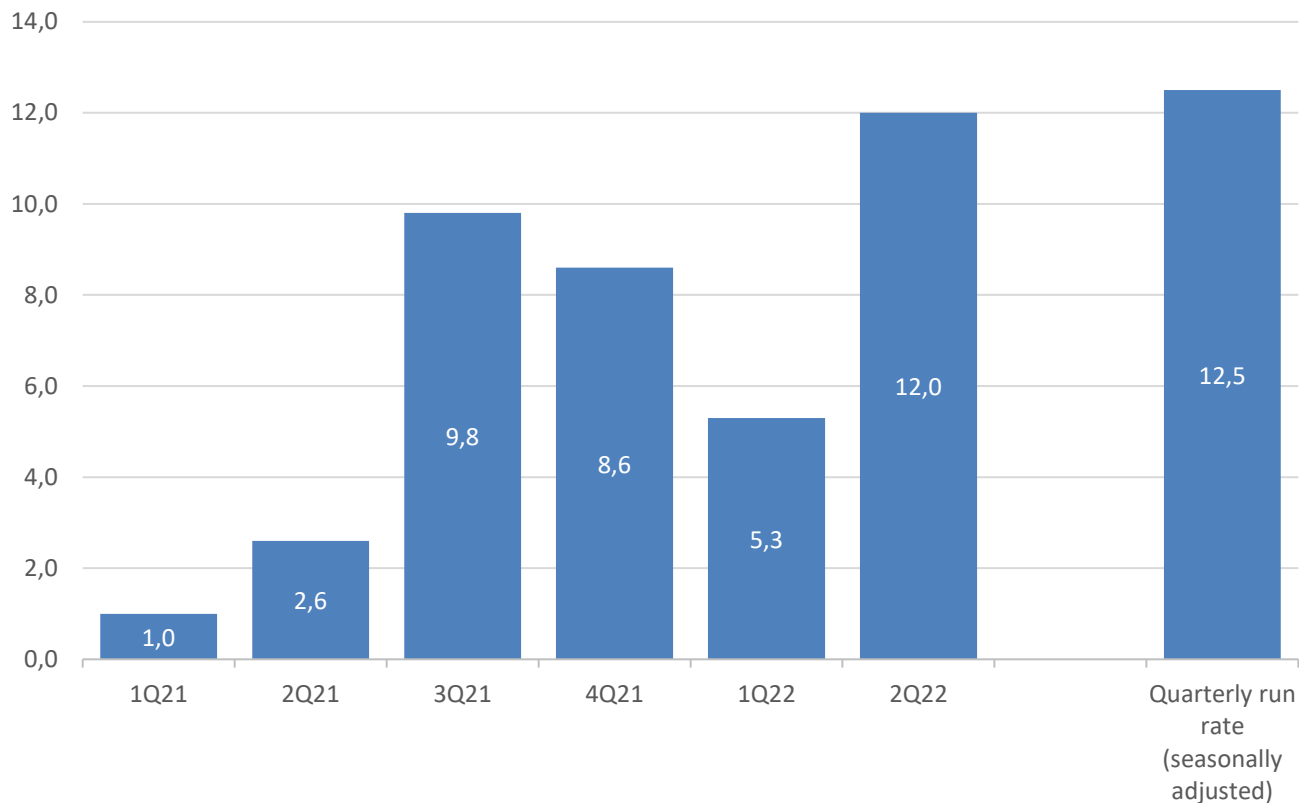
- Host Property REVPAR SEK 496 for 2Q2022 compared to SEK 441 for the same quarter in 2019.
- Occupancy 61% for 2Q22 compared to 54% in 2Q19
- 6/8 hotels performing stronger than the 2019 period
- Strong activity throughout the quarter – strong trend going into the 3Q22

### Occupancy





## Cash revenues Host Property (SEKm)



### Comments

- Strong development in revenues for Host Property during the last four quarters
- Cash revenues of SEK 12.0 millions during the 2Q22
- Cash revenue for 2Q22 is based on rental income for March, April and May 22 – **not June 22 (1 month lag)**
- **June 22 rental payments to be paid in 3Q22. June historically one of the strongest months of the year**
- Quarterly run rate revenues based on 2022E revenue based gross operating profit from hotel operators (EBIT for operators) to be paid in rent – seasonally adjusted per quarter
- Activity at the hotels above 2019 levels 2022 year to date
- Expected activity and revenues for the 3Q 2022 expected above 2019 levels

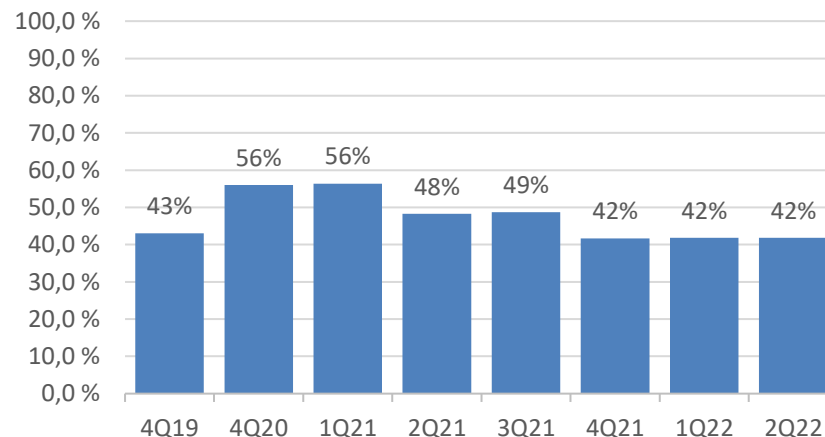


## Host Property – Key debt figures 2Q22

### Status at 2Q22

- Market value at SEK 804 million according to the external valuation (31/12-21). Next valuation available in August 2022
- Loan to value at 41.8% - After restructuring and asset sale – LTV lower than Host Property pre-covid-19 valuations
- SEK 16 million remaining on the CAPEX-account
- Host Property received SEK 50.8 million in cash (“Received Cash” according to amended T&C) during the Reference Period (last four quarters)
- Cash interest coverage ratio was 203%

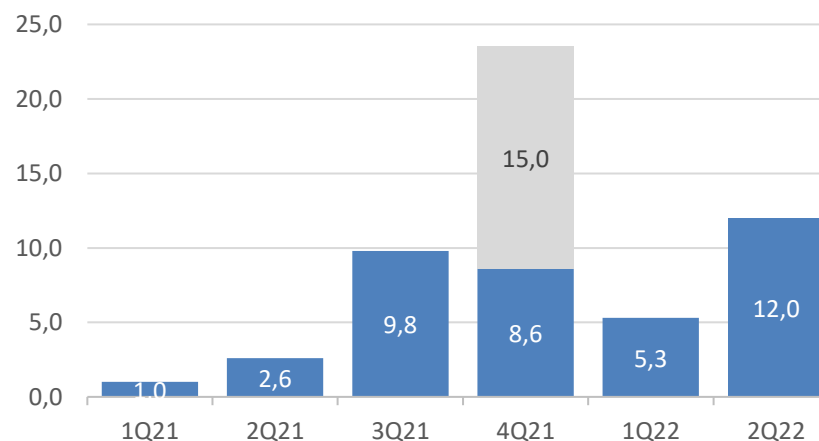
### Loan to value (according to amended T&C)



### Positive revenue development during the quarter

- Strong development during the 2Q22 – 4 quarters with “normal hotel activity”
- Sale of Billingeus increased the cash revenues during the 4Q 2021. Net proceed after down payment of bond loan SEK 15.0 million
- Do note that 4Q and 1Q are historically the seasonally weakest quarters and 2Q and 3Q the seasonally strongest quarters
- Cash rental payment for June 22, to be paid in 3Q22
- **Overall: Positive underlying revenue development**




### Cash revenues / rental per quarter (SEKm)







# Host Property - Taking action and securing values for all stakeholders

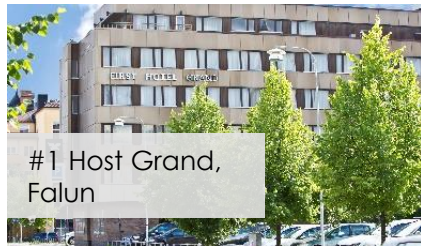
History, present and going forward	Actions	 Hotel Statt, Karlskrona
<b>Host Hoteleiomod has since the outbreak of COVID-19 taken a number of actions to secure and regain values for the company, debt holders and other stakeholders</b>		 Hotel Christian IV, Kristianstad
<ul style="list-style-type: none"><li>Regaining ownership of the former Tribe Hotels (operator) was important in order to execute strategic aligned plans for both the operations and hotel property values</li></ul>	✓ A	 Stadshotellet, Örnköldsvik
<ul style="list-style-type: none"><li>Reducing costs both for the hotel operations and the hotel property companies during the COVID-19 period and renegotiated agreements in connection with the reconstruction and reorganization</li></ul>	✓ A	
<ul style="list-style-type: none"><li>During the last two years, Host Hoteleiomod sold four properties at transaction prices at or above 2019 levels to improve the cash position for the group and strengthen Host's financial position</li></ul>	✓ A	
<ul style="list-style-type: none"><li>Works actively to improve the hotel operations and cash flow on both the hotel areas and other commercial spaces; detailed plans on how to allocate available cash for day-to-day capex and rent improving activities have been established</li></ul>	✓ A	
<ul style="list-style-type: none"><li>Actively investing in the hotel properties to secure and increase the future revenue potential. Host has invested SEK 150 million at Hotel Reisen, 30 million at Sundsvall during the last years, in addition to necessary renovation at the other hotels</li></ul>	✓ A	
<ul style="list-style-type: none"><li>The hotel market continues to improve, and the Host portfolio sees continued underlying growth in activity and revenues</li></ul>	➔	



Host Property AB  
2022



# Host Property AB portfolio overview



#1 Host Grand,  
Falun

## Key figures

Number of  
guest rooms

**1 046**

Total gross  
area (m<sup>2</sup>)

**89 582**



#2 Host Strand,  
Sundsvall



#3 Host Statt,  
Örnsköldsvik



#4 Host Witt,  
Kalmar



#5 Host Olofström,  
Olofström



#6 Christian IV,  
Kristianstad



#7 Host Statt,  
Karlskrona



#8 Host Stadt,  
Härnösand



#9 Host Statt,  
Söderhamn



## Swedish regional hotels with prime locations within their local markets



Hotel	Built	Rooms	GLA(m <sup>2</sup> )	Brand	Operations
#1 Host Grand, Falun	1920	191	17 628	First	Host
#2 Host Strand, Sundsvall	1963	203	11 480	First	Host
#3 Host Statt, Örnköldsvik	1913	115	9 472	First	Host
#4 Host Witt, Kalmar	1970	112	9 130	First	Host
#5 Host Olofström, Olofström	1980	58	2 955	First	Host
#6 Christian IV, Kristianstad	1897	86	5 500	First	Host
#7 Host Statt, Karlskrona	1890	107	11 857	First	Host
#8 Host Stadt, Härnösand	1917	95	9 366	First	Host
#9 Host Statt, Söderhamn	1879	79	12 194	First	Local
<b>Totals</b>		<b>1 046</b>	<b>89 582</b>	<b>First</b>	<b>Host</b>