



Host Property
Market update 3Q 2022

29. October 2022





Host Property – Highlights 3Q 2022

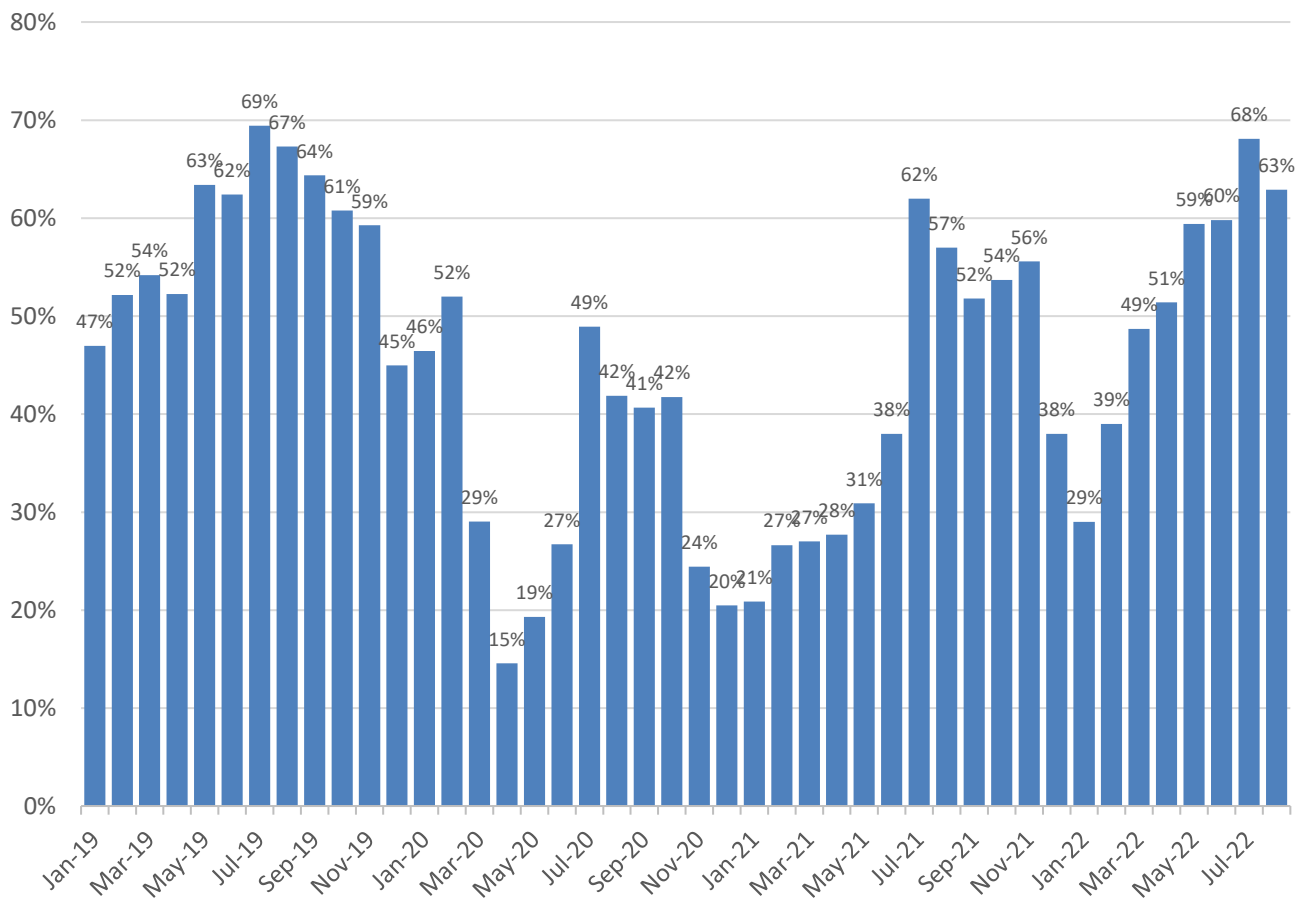


Strong development in Host Property

- Strong hotel market development year to date
- Hotel market activity above pre-COVID-19 levels in main markets (regional Sweden)
- Strong Host Property development – 2022 YTD REVPAR 13% above 2022 (“normalized”) levels
- 16 months of revenues (REVPAR) in line or above pre-COVID-19 levels
- Strong development in cash flow from hotel operations (tenants) and Host Property
- Stronger profitability and cash flow in Host Property than before COVID-19 – including more efficient operations



Hotel markets statistics – Sweden (Tilvaxtverket)

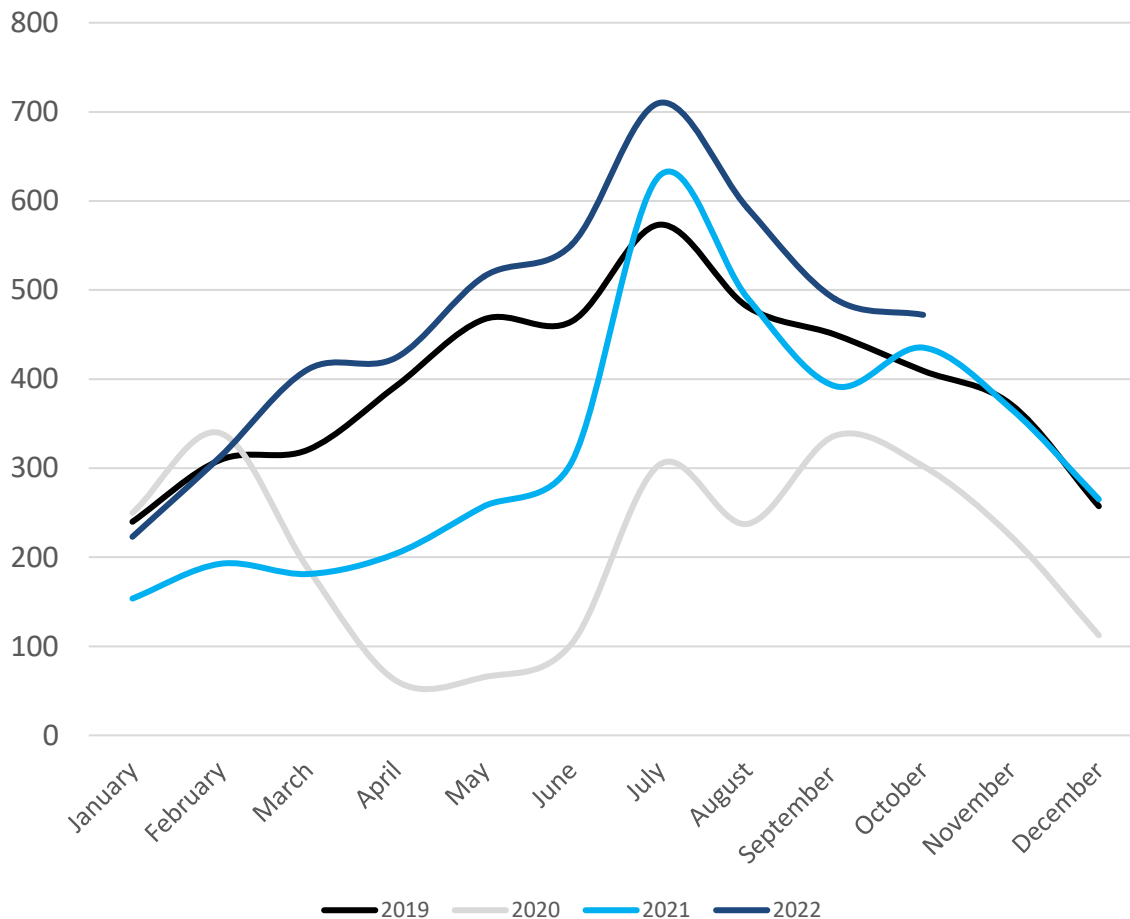


Comments

- Positive market development 2022 year to date
- Strong market development in September and October 2022 (data not released yet)
- Strong market updates from peer hotel operators and owners during the 3Q 2022



HOST PROPERTY – REVPAR SEK

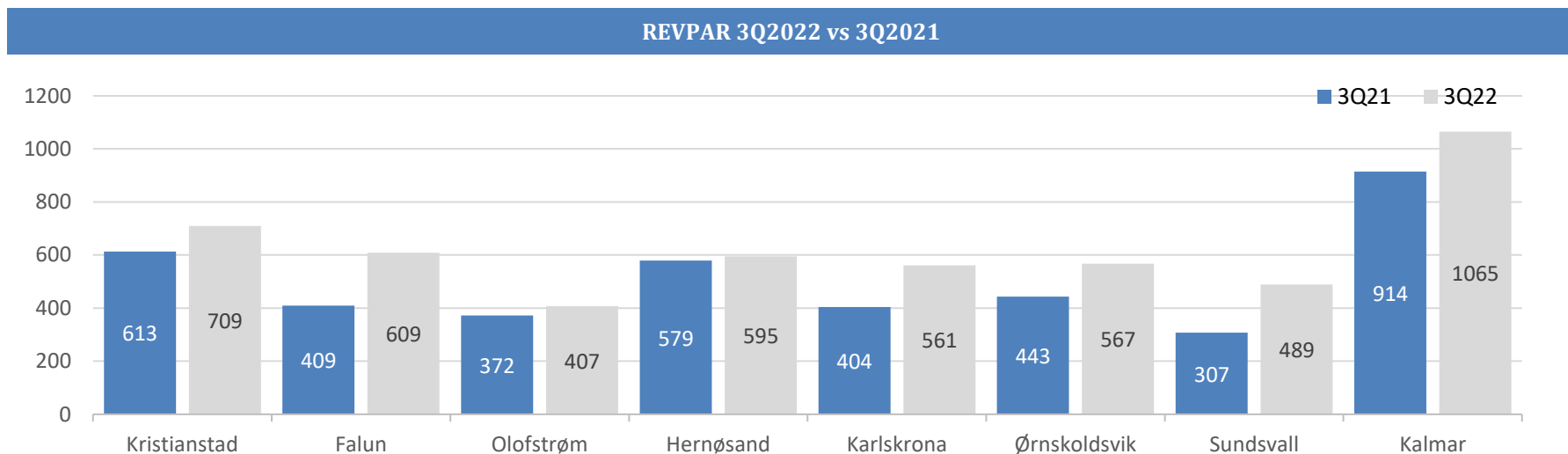


REVPAR Host Property

- Strong development in revenues (REVPAR) from June 2021 to current date
- Revenues in line or above “normalized markets” for 16 months and counting
- REVPAR 2022 YTD is 13% above 2019 levels
- Strong bookings going forward



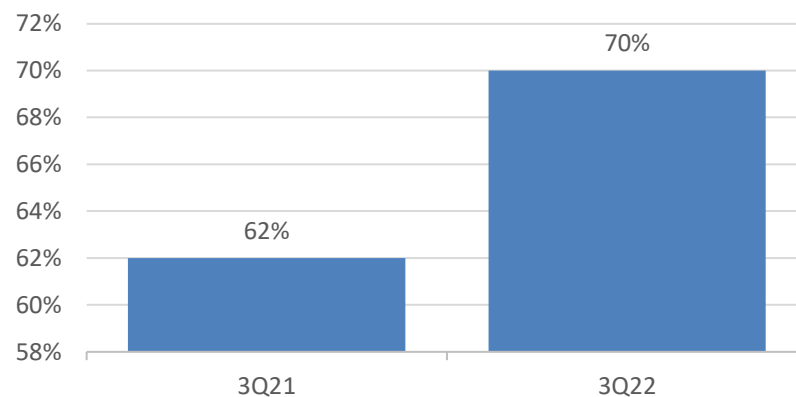
Key hotel trading and profitability figures



Key hotel trading figures

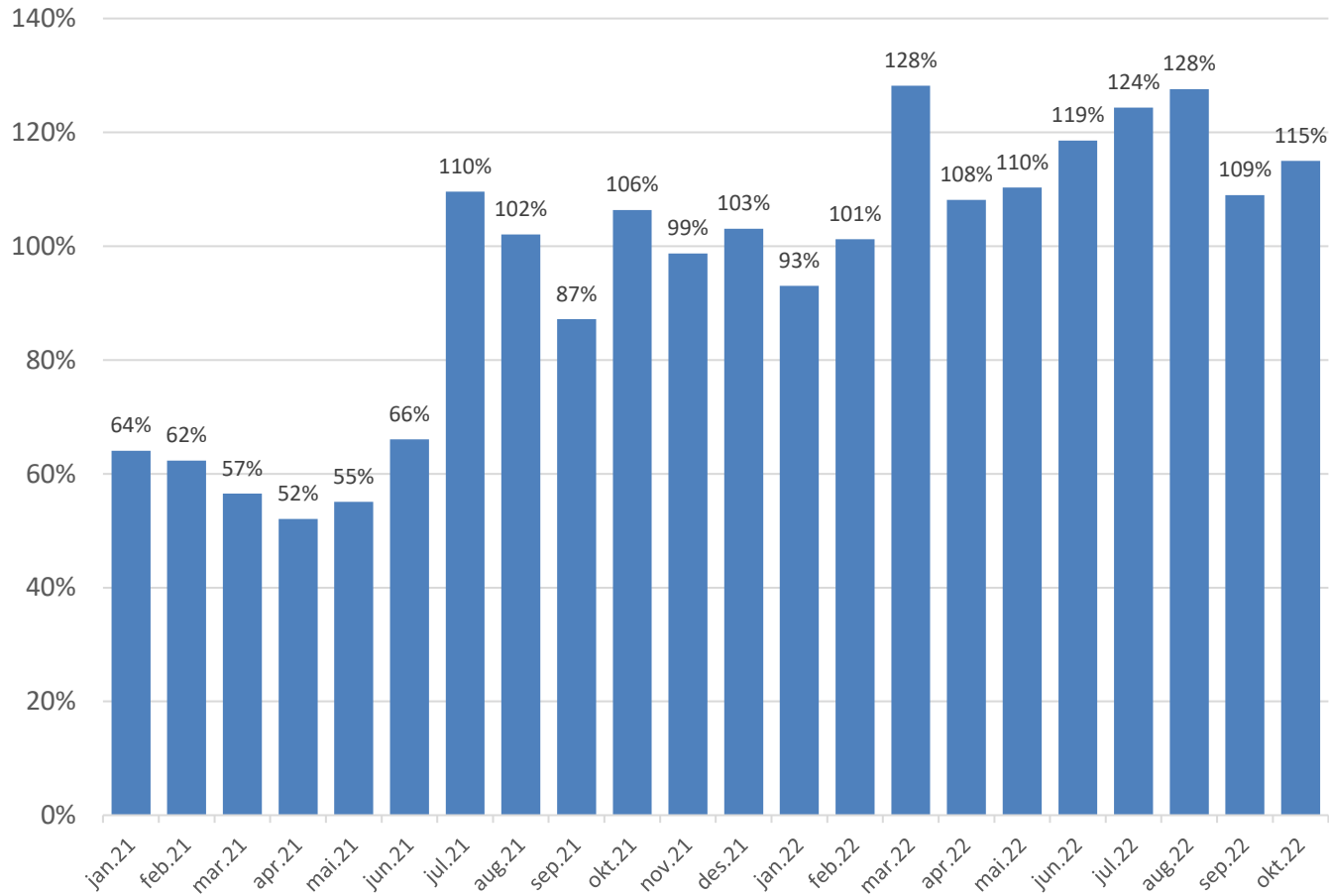
- Host Property REVPAR SEK 625 for 3Q2022 compared to SEK 429 for the same quarter in 2021. Occupancy was 70% for 3Q22 compared to 62% in 3Q21

Occupancy





HOST PROPERTY – REVPAR – COMPARED TO NORMAL MARKETS (2019)



REVPAR Host Property

- Strong development in revenues (REVPAR) from June 2021 to current date (October 30, 2022)
- Revenues in line or above “normalized markets” for 16 months and counting
- REVPAR 2022 YTD is 13% above 2019 levels
- Strong development during the summer and fall of 2022
- Strong bookings during for the remaining of the year



Host Property – Key debt figures 3Q22

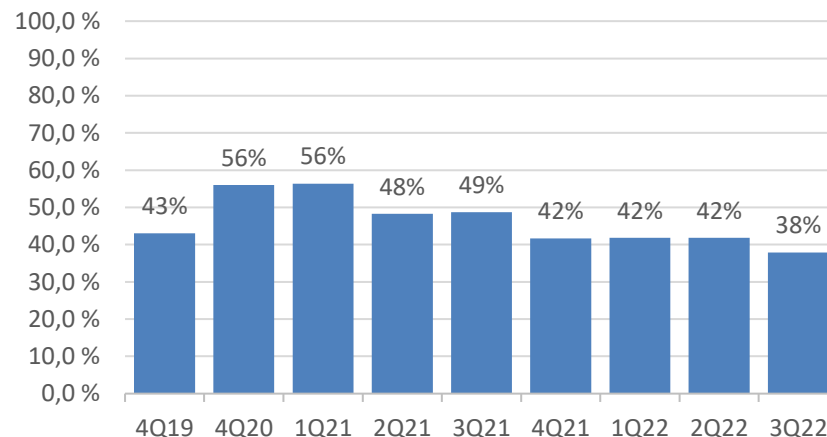
Status at 3Q22

- Market value at SEK 890 million according to the external valuation (30/09-22)
- Loan to value at 37.9%
- SEK 14 million remaining on the CAPEX-account
- Host Property received SEK 56.6 million in cash (“Received Cash” according to amended T&C) during the Reference Period (last four quarters)
- Cash interest coverage ratio was 238%

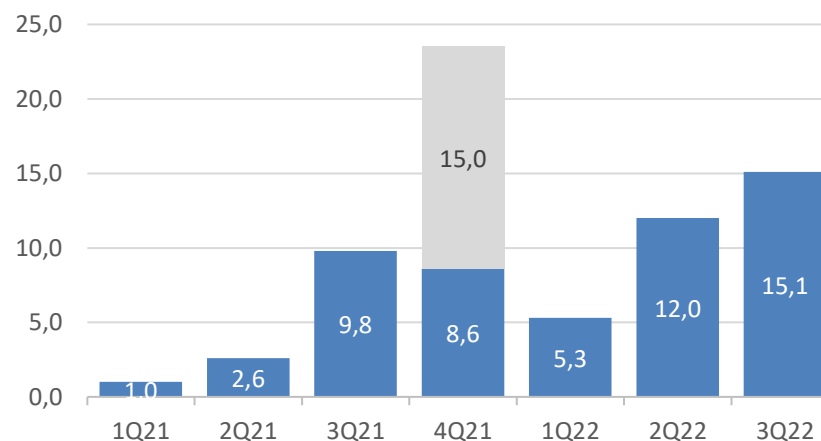
Positive revenue development during the quarter

- Strong development during the 3Q22 – 5 quarters with “normal hotel activity”
- Stronger free and clear cash generation (sum of hotel operation and hotel ownership) than before COVID-19

Loan to value (according to amended T&C)






Cash revenues / rental per quarter (SEKm)





Host Property - Taking action and securing values for all stakeholders

History, present and going forward	Actions	
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		Hotel Statt, Karlskrona
<ul style="list-style-type: none">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	✓ A	
<ul style="list-style-type: none">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	✓ A	Hotel Christian IV, Kristianstad
<ul style="list-style-type: none">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	✓ A	
<ul style="list-style-type: none">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	✓ A	Stadshotellet, Örnsköldsvik
<ul style="list-style-type: none">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	✓ A	
<ul style="list-style-type: none">The hotel market continues to improve, and the Host portfolio sees continued underlying growth in activity and revenues	➔	



Host Property AB
2022



Profit and Loss Host Property AB consolidated Q3 2022	Group	
(SEK 1.000)	2022 - Q3	2021 - Q3
OPERATING INCOME		
Rent income	43,340	16,948
Total operating income	43,340	16,948
OPERATING COSTS		
Other operating expenses	11,756	10,123
Total operating costs	11,756	10,123
Operating profit (EBITDA)	31,584	6,825
Depreciation and write-down of fixed assets	8,117	6,379
Operating profit (EBIT)	23,467	446
Financial income and expenses		
Other interest income	2,884	2,273
Other financial income	17	0
Income from investment in subsidiaries and joint ventures	0	0
Other interest expenses	17,521	22,785
Other financial expenses	15,573	12,795
Net financial result	-30,193	-33,307
Ordinary profit before tax expense	-6,726	-32,861
Taxes	823	228
Ordinary result	-5,904	-32,633
Profit for the year	-5,904	-32,633



	2022	Group 2021
FIXED ASSETS		
INTANGIBLE FIXED ASSETS		
Deferred tax assets	0	0
Total intangible fixed assets	0	0
TANGIBLE FIXED ASSETS		
Buildings and land	534,906	547,938
Machinery and equipment	4,916	0
Projects	62,127	56,388
Total tangible fixed assets	601,949	604,326
FINANCIAL FIXED ASSETS		
Total fixed assets	601,949	604,326
CURRENT ASSETS		
RECEIVABLES		
Accounts receivables	7,516	4,823
Accounts receivables Group companies	56,437	44,000
Other short-term receivables	5,504	6,840
Prepaid costs	2,090	11,850
Total receivables	71,546	67,513
CASH AND BANK DEPOSITS		
Cash and bank deposits	46,830	40,683
Total cash and bank deposits	46,830	40,683
Total current assets	118,376	108,196
TOTAL ASSETS	720,324	712,522

	2022	Group 2021
EQUITY		
PAID-IN CAPITAL		
Share capital	500	500
Share premium reserve	0	0
Total paid-in capital	500	500
RETAINED EARNINGS		
Other equity	262,887	269,171
Total retained earnings	262,887	269,171
Total equity	263,387	269,671
LIABILITIES		
PROVISIONS		
Deferred tax liabilities	84,315	84,757
Total provisions	84,315	84,757
OTHER LONG-TERM LIABILITIES		
Liabilities to financial institutions	0	0
Loans from Group companies	0	0
Other long-term liabilities	346	0
Total other long-term liabilities	346	0
CURRENT LIABILITIES		
Other short-term liabilities	354,906	349,070
Accounts payable	3,575	4,967
Tax payable	0	0
Dividends	0	0
Other short term liabilities Group companies	0	0
Public duties payable	4,376	0
Other short-term liabilities	9,419	4,057
Total current liabilities	372,276	358,094
Total liabilities	456,937	442,851
TOTAL EQUITY AND LIABILITIES	720,324	712,522



Cash Flow Statement	Group
	2022 - Q3
Cash flow from operational activities	
Net income before tax	-6,726
Depreciation	8,117
Financial expenses	12,672
Change Accounts receivable	-2,693
Change in accounts payable	-1,392
Change in group balances	-12,437
Change in other time-limited items	15,792
Net cash flow from operational activities	13,334
Cash flows from investing activities	
Investments in property and equipment	-10,655
Sold shares	
Change in long term receivables	
Net cash flow from investing activities	-10,655
Cash flows from financing activities	
Reductions in long-term debt	346
Dividends/ group contributions	
Net cash flow from financing activities	346
Net change in cash and cash equivalents	3,025
Cash and cash equivalents 01.01	43,804
Net cash and cash equivalents	3,025
Cash and cash equivalents 30.09	46,829