

# Q1

INTERIM REPORT  
2024



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# KEY FIGURES

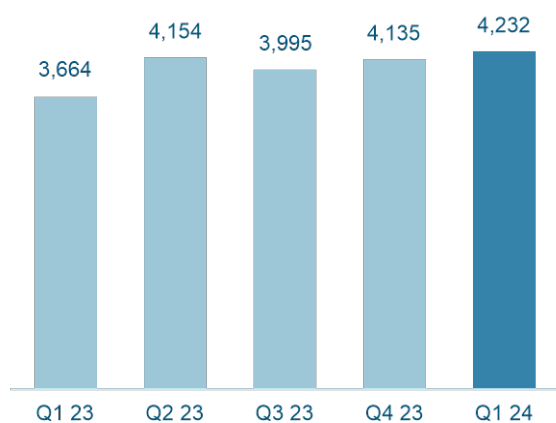
(All figures in NOK million)

	Q1 24	Q4 23	YTD 24	Q1 23	Q4 22	YTD 23
Total revenues	4,231.6	4,135.3	4,231.6	3,664.2	3,259.2	3,664.2
EBITDA	375.2	357.3	375.2	336.4	311.6	336.4
EBITDA (%)	8.9 %	8.6 %	8.9 %	9.2 %	9.6 %	9.2 %
EBITDA (excl. IFRS 16)	67.3	53.3	67.3	80.1	72.4	80.1
EBITDA (%)	1.6 %	1.3 %	1.6 %	2.2 %	2.2 %	2.2 %
EBITA	83.4	55.6	83.4	89.2	74.6	89.2
EBITA (%)	2.0 %	1.3 %	2.0 %	2.4 %	2.3 %	2.4 %
EBIT	66.3	(25.8)	66.3	75.0	56.9	75.0
EBIT (%)	1.6 %	-0.6 %	1.6 %	2.0 %	1.7 %	2.0 %
EBT	(128.0)	(237.4)	(128.0)	(34.0)	(3.7)	(34.0)
EBT (%)	-3.0 %	-5.7 %	-3.0 %	-0.9 %	-0.1 %	-0.9 %

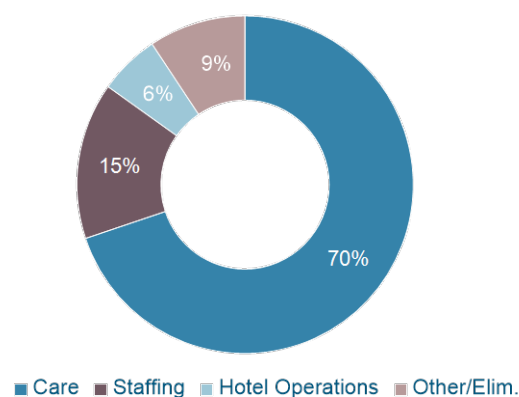
## Q1 24 HIGHLIGHTS

- Q1 24 revenues ended at NOK 4,232 million, an increase of NOK 567 million compared to NOK 3,664 million in Q1 23. The growth from last year was partly driven by NHC's acquisition of Frösunda Group, as well as organic growth.
- Q1 24 revenue growth of 15.5 % compared to Q1 23, and 2.3 % compared to Q4 23.
- Q1 24 EBITA ended at NOK 83 million compared to NOK 89 million in Q1 23.
- Continued high activity within the Hotel segment, with three new hotels added to the portfolio during Q1 24.
- Hi Capital recently passed 50 % ownership in Caracap AS (Ferda), and the company is consolidated in Hospitality Invest's figures as per Q1 24. The company will be reported as part of the Other segment going forward.

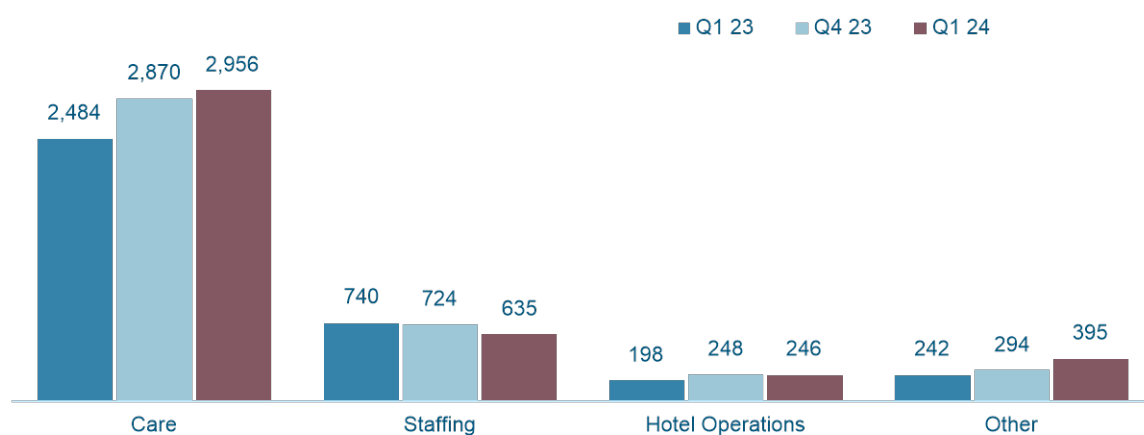
Revenue Per Quarter (MNOK)



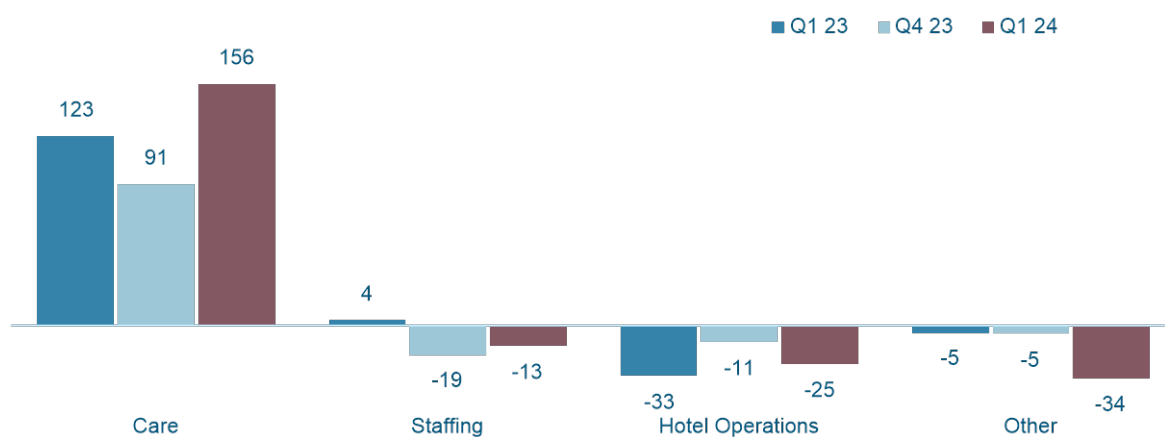
Segment Distribution Q1 24 (%)



Revenue Per Segment (MNOK)



EBITA Per Segment (MNOK)

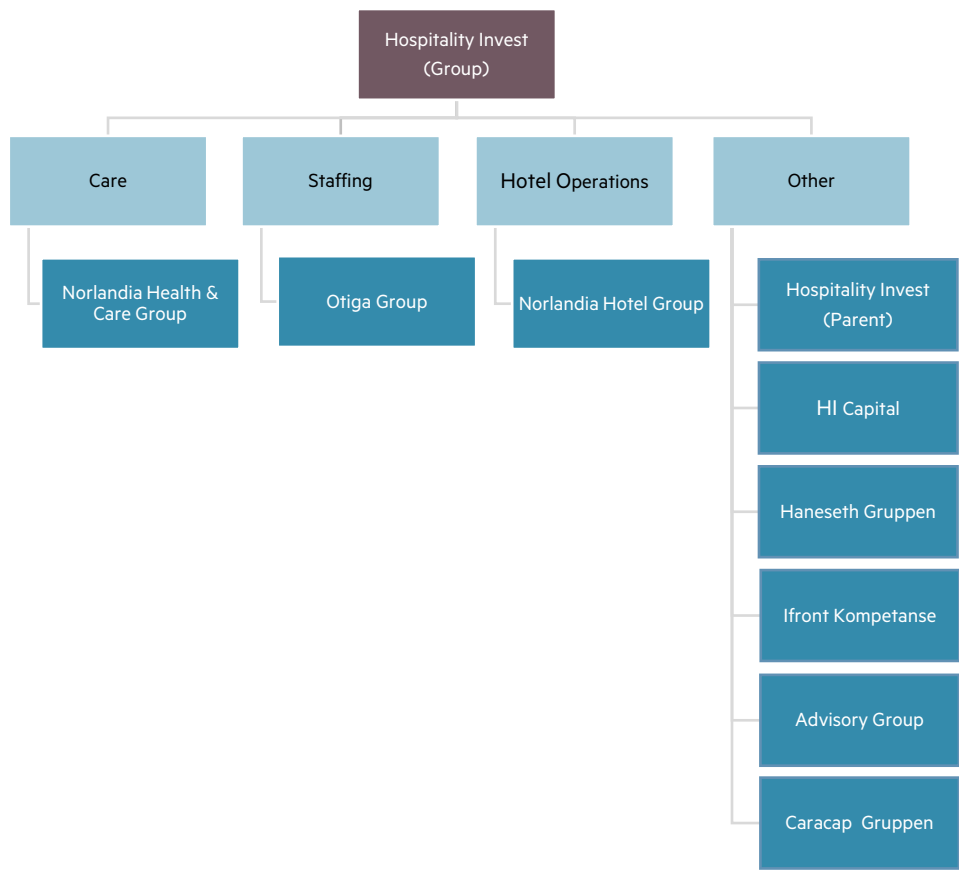


# HOSPITALITY INVEST

Hospitality Invest AS is a private investment company with a diversified portfolio within four main segments: Care, Staffing, Hotel Operations and Other. The Company’s main investments are Norlandia Hotel Group AS (“NHG”), Otiga Group AS (“Otiga”) and Norlandia Health & Care Group AS (“NHC”) which includes Norlandia Care Group AS (“NCG”), Hero Group AS (“Hero”), Aberia AS (“Aberia”) and Kidsa Drift AS (“Kidsa”). For further information on each entity in the Group, we refer to the respective companies’ web pages.

## GROUP STRUCTURE

The below illustration offers an overview of the four reporting segments in Hospitality Invest and the corresponding legal units which are consolidated in the Group accounts. The illustration shall not be considered as a legal structure.



## GROUP ACTIVITIES

### Passing 50% ownership in Caracap AS

Following a recent capital increase in Caracap AS (Ferda), Hi Capital AS increased its ownership in the company to 56.3%. As a consequence, Ferda's figures are now included in the consolidated group figures of Hospitality Invest.

## FINANCIALS

### CONSOLIDATED INCOME STATEMENT PER 31/03/2024

The Group reported total operating revenue of NOK 4,232 million in Q1 24 compared to NOK 4,135 million in Q4 23 and NOK 3,664 million in Q1 23. The growth year-on-year ("YoY") is primarily driven by NHC's acquisition of Brado AB in Sweden, which is the holding company of Frösunda Group, but also driven by organic growth across most segments. EBITA for Q1 24 amounted to NOK 83 million (2%) compared to NOK 56 million (1%) in Q4 23 and NOK 89 million (2%) in Q1 23. Total operating expenses for the Group in Q1 24 ended at NOK -3,856 million. Net finance in Q1 24 ended at NOK -189 million. Net finance was mainly affected by a net interest expense of NOK -190 million. Change in net finance YoY was mainly driven by increased net interest expense and a change in net non-realized currency effects of NOK 3 million related to outstanding bonds, of which one is issued in SEK, creating a currency loss. In total, the net profit for Q1 24 ended at NOK -128 million compared to NOK -32 million in Q1 23.

### CONSOLIDATED BALANCE SHEET STATEMENT PER 31/03/2024

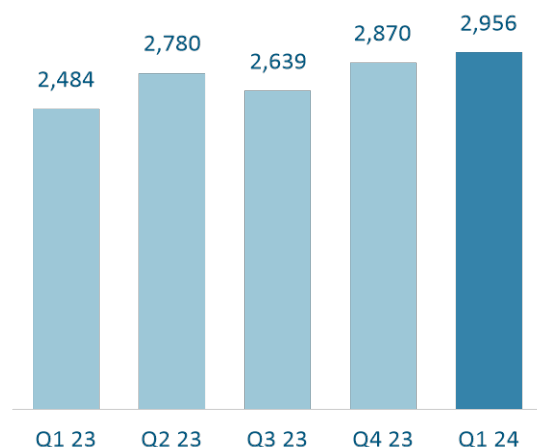
Total non-current assets ended at NOK 14,923 million per end of Q1 24, of which NOK 7,730 million relates to IFRS 16 and the classification of "Right-of-Use assets". Total equity ended at NOK 1,444 million per Q1 24 compared to NOK 1,709 million at the end of 2023. The cash position of the Group per 31/03/2024 was NOK 597 million. Total non-current liabilities amounted to NOK 12,049 million, including NOK 7,411 million classified as "Lease liability" under IFRS 16. Total loans and borrowings amounted to NOK 5,154 million, mainly consisting of bond loans in Hospitality Invest AS and Norlandia Health & Care Group AS in addition to bank debt in Otiga Group AS and HI Capital AS. The current part of loans and borrowings has increased by the inventory financing of Ferda Norge AS, included in the consolidated figures from Q1 24.



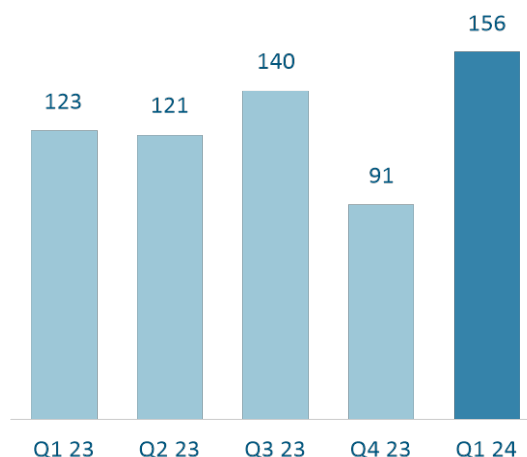
## BUSINESS SEGMENTS

### Care

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)



Revenue for the Care segment ended at NOK 2,956 million in Q1 24 compared to NOK 2,870 million in Q4 23 and NOK 2,484 million in Q1 23. EBITA for Q1 24 ended at NOK 156 million (5.3 %) compared to NOK 91 million (3.2 %) in Q4 23 and NOK 123 million (5.0 %) in Q1 23.

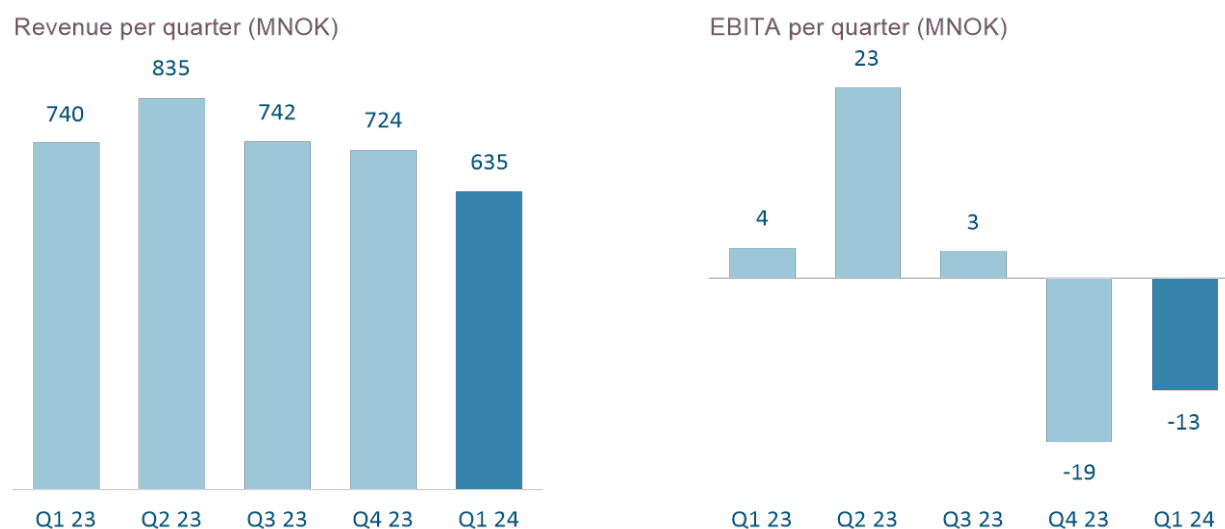
Revenue from the Preschool operations increased year-on-year (“YoY”) and quarter-on-quarter (“QoQ”) mainly reflected by new units in Sweden and Poland, along with price adjustments in Norway. The Swedish operations provided increased profitability YoY following increased occupancy within new units opened during recent years and is expected to carry on the positive development going forward. Further, the International operations (Finland, the Netherlands, and Poland) delivered solid improvement YoY through increased prices and improved operational efficiency. Although the Norwegian operations generate sustainable profitability, it is clear that the grant levels are lower than what Preschools are entitled to in accordance with the Norwegian Kindergarten Act. The ongoing litigation towards the Norwegian authorities is addressing this, and at the time of this writing the lawsuit is ongoing. In November 2023, the Norwegian Ministry of Education and Research (Kunnskapsdepartementet) proposed changes to the Norwegian Kindergarten Act aimed at securing equal rights and high quality for all children in Norway. The proposal implies comprehensive changes to the sector, both in terms of governance and financing, and involves handing more responsibility and governing authority to local municipalities. The Care segment strongly disagree with the proposal and are certain that the proposed changes will increase differences and reduce parent’s freedom of choice, rather than increasing quality. Financially, sustainable profitability is expected going forward regardless of the proposition, backed by a strong and constructive relationship with the majority of the municipalities in which the Preschool operations operate.

Revenues from the Elderly Care services increased YoY explained by the Frösunda acquisition and start-up of a new own management unit in Sweden. Although delivering improved profitability YoY for the second consecutive quarter, Q1 24 came in lower than expected mainly related to certain units with unsustainable losses. One of these units were divested after the balance sheet date, and one significantly loss-making contract ended during Q1 24. There are also ongoing processes related to several other loss-making units. For the remainder of the Elderly Care services, there is a positive development, and further improvements are expected going forward. Occupancy within own management units increased in the second half of 2023, and continues to increase in Q1 24, however at a slower rate than the segment’s target. The lower improvement rate is expected to be temporary, and improvements are expected in the near term as demand is factually growing, along with expected lower churn in the summer half-year. The segment’s own-management portfolio, with the clear majority being immature units, currently generates losses combined, and it is taking longer than assumed to see the full financial effects of the ongoing initiatives. The long-term fundamentals for the Elderly Care services remain strong. There is a clear growing demand for elderly care in all markets in which the group is operating, and in Sweden, this is underlined by Vårdförtagarna’s (Private Health business organization in Sweden) estimated capacity requirement of 28,000 new places by 2032. Further, Kommunal’s (Sweden’s largest trade union) recent acknowledgement of the Swedish welfare crisis, hereunder discarding the previously stated ambition of zero profits within welfare, thus underlining the need for private and public cooperation to ensure quality, is regarded as a highly positive signal.

Revenue from the Integration Services decreased QoQ but was in line YoY. Profitability declined YoY, explained by acute contracts being replaced by long-term ordinary contracts. Although the two prior years are regarded as a peak, continued high activity in 2024 is expected, backed by indications from authorities in both Norway and Germany. Considering the present geopolitical landscape and the number of long-term ordinary contracts in the current portfolio, along with several prospects in pipeline, a strong demand for the Integration services is anticipated going forward. Profitability is expected to remain robust as Hero has developed a resilient cost base since the last wave of immigrants in 2015-2016. Lease contracts designed to better match UDI contracts, flexible operating costs such as personnel expenses, and a conservative approach to costs associated with closing of units are amongst the factors that underpin the resilient cost base. In Germany, the accommodation services are progressing well both in terms of topline and strong underlying profitability. The Norwegian and German operations are ready and able to rapid response when needed, as well as high volume quality accommodation services towards the general migration situation. Through proactivity in all markets and backed by the current performances and outlook, Hero is positioned to deliver solid revenues and healthy profitability also when the Ukrainian crisis ends. For as long as it takes, Hero will remain a mobilized tool for immigration authorities to host asylum seekers and migrants in a respectful and dignified way.

Individual and Family significantly increased YoY following organic growth in Norway and the acquisition of Frösunda Personal Assistance and Frösunda Disability from February 2023 in the comparison quarter. The acquisition of Frösunda significantly strengthens the Individual & Family segment, increasing the annual turnover to well above NOK 3 billion and providing more stability in terms of profitability. The consolidation is regarded as a perfect fit combining highly complementary competencies across the organizations in Norway and Sweden, with unrealized synergy potential, and have great expectations for the segment going forward. Although delivering improved profitability YoY related to operational improvements, profit levels within Frösunda Personal Assistance are unreasonable low. Over time, the Personal Assistance sector in Sweden has been systematically underfinanced significantly reducing margins to unsustainable levels. The price increase in 2024 is only 2.5 % and there are ongoing and intensified discussions to increase the prices back to healthy levels and ensure quality in a challenging sector. Frösunda Disability, on the other hand, delivered another solid quarter on the back of efficient operations and satisfactory occupancy levels. The core operations in Norway, Child-Care and Respite Care services, delivered material organic growth YoY and solid profitability. Established in 2010, Aberia has grown quickly to now reach an annual turnover of more than NOK 1,200 million. The core operations are strong on quality and reputation, profitable and growing, and the segment is clearly moving in the right direction and should be generating healthy profitability going forward.

## Staffing



Revenue in the Staffing segment ended at NOK635 million in Q1 24 compared to NOK 724 million in Q4 23 and NOK 740 million in Q1 23, representing a decrease in revenue of 14.1% YoY. The largest revenue drops occurred in the Norwegian and Finish operations, while the Swedish operation continue to increase slightly, in contrast to market conditions. There is still a strong demand in the overall market. In the Norwegian operations the decline in revenue in some business areas is partly offset by increase in others, resulting in an overall decline. In the Swedish operations there is also a decline in some business areas and increase in other, resulting in an overall increase in revenue.



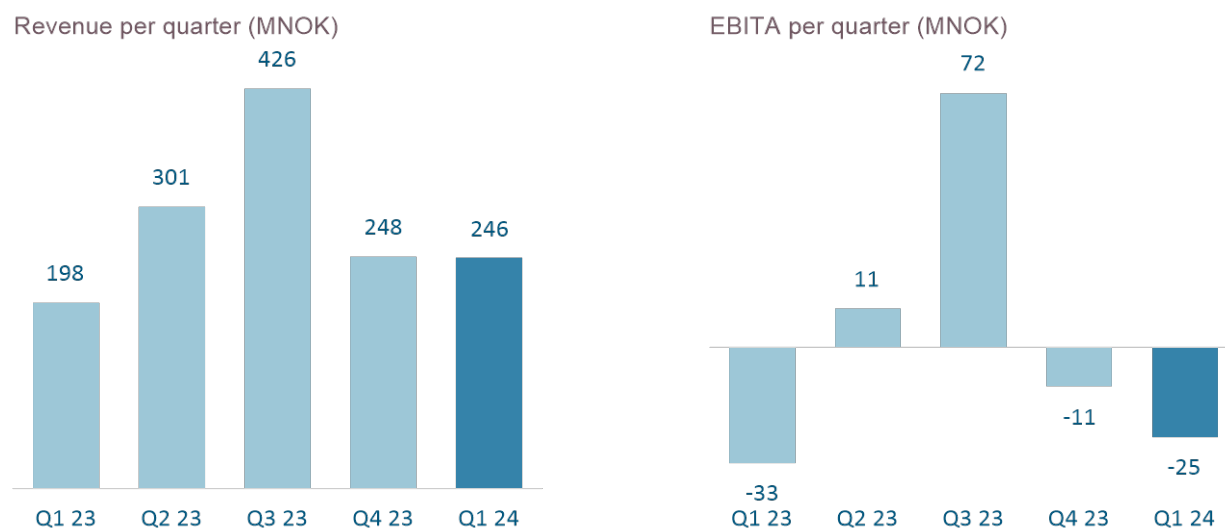
EBITA for the Staffing segment ended at NOK -13 million (-2.1 %) in Q1 24 compared to NOK -19 million (-2.7 %) in Q4 23 and NOK 4 million (0.5 %) in Q1 23, increasing QoQ while decreasing YoY. Otiga is currently experiencing weak profitability in a challenging market and has identified a need for additional capital. The board in Otiga is actively collaborating with shareholders and banks to secure a long-term financing solution. The Groups focus going forward will be on increasing profitability by lowering the cost level with each operating unit as well as reducing overhead cost.

In Q1 2024, the Norwegian operations experienced a QoQ and a YoY decrease in revenue. The decrease compared to same quarter last year is mainly due to the divestments within the health segment, as well as a general decline within staffing services, mainly to the construction and logistics segment. Other business areas are experiencing sluggish growth compared to previous periods, and not large enough to offset the decrease in the segments mentioned above. Lastly, the offshore business area is now entering into high season, and we expect positive development for Q2 24. The EBITA level has decreased both QoQ and YoY. The decrease in revenue correspond to a decrease in EBITA.

In Q1 24, the Swedish operations demonstrated increased revenues both QoQ and YoY. The increase in revenue continues in the Swedish segment and is mainly related to a few large customers. The market situation in Sweden is good and the segment continues to take advantage of this. The EBITA is at the same level as previous quarter and down YoY. The reduction compared to last year is largely due to increased fixed costs, as well as lower margin due to a slightly different business mix compared to earlier quarters. The margin is at the same level as previous quarter which indicates that the cost level has stabilized.

In Q1 24, revenue from the Finnish operations saw a decrease both QoQ and YoY. The Finnish operations still faces challenges with a slow market, especially within construction and heavy industry. Furthermore, having completed a series of restructuring and scale downs the focus on sales initiatives have been reduced. The EBITA is increased both QoQ and YoY showing a positive trend, having completed the phase of restructuring and cost saving, particularly directed towards reducing staff and fixed costs.

## Hotel Operations



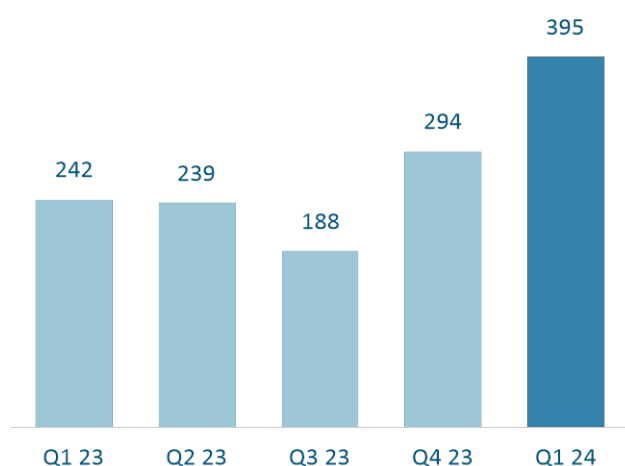
In Q1 24, revenue from the Hotel Operations segment decreased marginally QoQ to NOK 246 million from NOK 248 million in Q4 23, and increased YoY from NOK 198 million in Q1 23. The first quarter is typically the weakest quarter for the hotel business due to seasonal variations. Compared to the same quarter last year, 50% of the revenue for the three Comfort hotels in Sweden was excluded as they are now accounted for under common control with 50% ownership. Two new hotels in Norway, Thon Partner Hotel Ullevål Stadion and Notodden Hotel, acquired on January 1, 2024, were included. The effects of these changes balanced out revenue QoQ, with YoY growth driven by the existing portfolio. Occupancy for the quarter increased by 4% QoQ and by 3% YoY. Significant revenue growth was seen in Bodø and Hamar. Norlandia Hotel Group secured a management contract for Moxy Hotel at Hellerudsletta, which is 50% owned by Up North Hospitality AS. This 436-room hotel, connected to the X Meeting Point conference center already operated by Norlandia, is rebranded as X Hotel while remaining affiliated with Marriott International as a white label.

In Q1 24, the Hotel Operations segment reported an EBITA of NOK -25 million (-10.3 %), compared to NOK -11 million (-4.5 %) in Q4 23 and NOK -33 million (-16.5 %) in Q1 23. Many of the hotels operate with minimal staffing in the first quarter, allowing increased activity to be managed by existing personnel, thereby improving margins. During the quarter, the hotel business added two new hotels, and a third under a management contract, incurring some administration and startup costs. Almost all hotels have transitioned to cloud-based systems, enhancing efficiency, revenue optimization, and the digital guest experience.

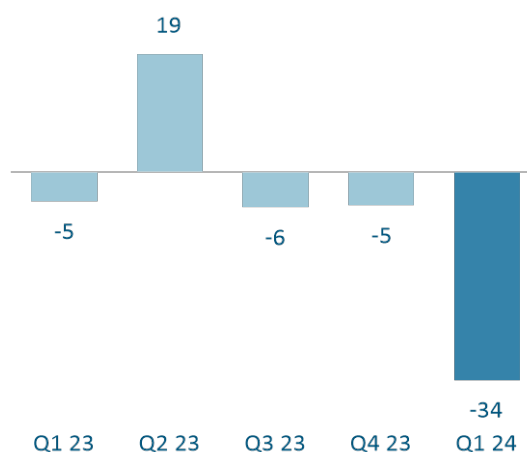
At the end of the quarter, the Hotel Operation segment consisted of a total of 4,187 rooms, of which 755 rooms are jointly owned with an external party. During the quarter, a lease agreement was signed for a new hotel in Tjøme, starting from 1 June 2024, with 73 rooms, 38 rental units, a wellness area, 7 conference rooms, a guest harbour, camping area, bar, and a restaurant. The hotel will be 50 % owned by Up North Hospitality AS. The hotel will not proceed with their existing brand but operate as an independent hotel with a management agreement with Norlandia Hotel Group. The pipeline currently consists of a total of 516 rooms distributed among a hotel project in Drammen, one in Stavanger, and the mentioned project in Tjøme.

## Other

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)



In Q1 24, revenues in the Other segment amounted to NOK 395 million, up from NOK 294 million in Q4 23 and NOK 242 million in Q1 23. Notably, Haneseth Gruppen AS contributed NOK 178 million in Q1 24, maintaining a stable topline and good margins. Ferda Norge AS, included in this segment from Q1 24, added NOK 138 million and Ifront Kompetanse AS contributed with NOK 64 million in revenue for Q1 24.

EBITA for Q1 24 was NOK -34 million compared to NOK -5 million in Q4 23 and NOK -5 million in Q1 23. The negative effect on EBITA this quarter is mainly caused by the consolidation of Ferda Norge AS due to seasonal changes and the related holding companies.

The associated investments included in the Other segment include e.g. AAP Group AS (50.0%), Winn Hotel Group AB (41.3%), Pioneer Property Group ASA (34.9%), Voss Resort AS (30.6%), Elywhere Group AS (28.4%) and Miliarium Bolig AS (24.2%). These are accounted for as Share of profits of associates in the P&L.

Other investments of significance are Norefjell Prosjektutvikling AS (16.7%) and Rana Gruber ASA (6.0%) directly and indirectly through HI capital AS and LNS Holding AS.

## OUTLOOK AND MAIN RISK FACTORS

The current geopolitical landscape is still tense, with challenges worldwide. UDI expects a high number of refugees in 2024, and Norlandia Health & Care Group's Integration Services (Hero) is prepared to remain a leading provider of refugee accommodation in Norway. Based on recent estimates, Hero's activity level is expected to stabilize at a significantly higher level than before the conflicts in Ukraine and the Middle East.

Rising inflation and increasing interest rates across the countries where the Group operates may negatively impact future profitability. Higher salaries, electricity prices, and general costs will affect this year's results, as most contracts do not account for the current cost level. Despite these challenges, the Group has maintained decent margins. Future agreements are expected to incorporate cost increases from 2022 and 2023 through renegotiations or index clauses. The Group is also addressing staff shortages by revising recruiting and retention practices.

The booking level within the Hotel Operations segment for the first half of 2024 is significantly higher than in the past two years. Although the hotel industry is cyclical and influenced by macroeconomic conditions, several favourable factors could boost demand for hotel services. Stabilized inflation and anticipated real wage growth in Norway may increase domestic demand, while a weak exchange rate could attract more international visitors. There was tension regarding this year's wage negotiations in Norway, with the possibility of strike risk in the hotel and restaurant industry. Given that labour costs are a significant expense in the hotel industry, this settlement will negatively impact profitability. In the short term, it may be challenging to offset these increased labour costs with higher prices or improved productivity.

The Staffing segment gained market share in a challenging environment and is positioned to meet strong demand going forward. Changing market conditions, primarily due to the war in Ukraine, have led to higher interest rates, increased power costs, and general inflation. While these factors are affecting the staffing market, the impact is currently limited to certain segments. The group is closely monitoring the situation and will implement measures as needed. Uncertainty in business and macroeconomic conditions over the next few quarters could impact customers and the segment's financial performance going forward. The economic climate and new regulations regarding hiring of temporary workers could lead to fewer market players due to consolidations, mergers, and shutdowns. Otiga Group is actively investigating the potential impact on various business areas and developing solutions to navigate the current situation and continue supporting customers.

Political risk is a notable factor with the potential to significantly impact service delivery methods. In Norway, the Care segment faces political uncertainties as the new government plans a public inquiry into non-profit operating models within private welfare. The municipal election results in September 2023 are seen as positive, creating a favourable climate for private providers, especially with public support for freedom of choice in welfare services. The Group mitigates exposure to political and market shifts by diversifying across services, countries, and municipalities.

## USE OF ALTERNATIVE PERFORMANCE MEASURES (APM)

Alternative Performance Measures (APM) are performance measures not within the applicable financial reporting framework (IFRS). Financial APMs are intended to enhance comparability of financial performance over time and are frequently used by analysts and investors.

The Group uses the following APMs:

**EBITDA** is operating profit before depreciation, amortization and impairment charges.

**EBITDA %** is EBITDA divided by revenue.

**EBITA** is operating profit before depreciation.

**EBITDA excl IFRS 16** is operating profit before depreciation, amortization and impairment charges adjusted for IFRS 16 effects.

**EBITDA % excl IFRS 16** is EBITDA divided by revenue adjusted for IFRS 16 effects.

**EBIT** is operating profit after depreciation, amortization and impairment charges.

**EBIT %** is EBIT divided by revenue.

**EBT** is operating profit after depreciation, amortization, impairment charges and finance.

**EBT %** is EBT divided by revenue.

The reported numbers are included in the financial statements and can be directly reconciled with official IFRS line items. The APMs are used consistently over time and accompanied by comparatives for the corresponding previous periods.

## STATEMENT FROM THE BOARD OF DIRECTORS

The interim financial statements are, to the best of our knowledge and based on our best opinion, prepared in accordance with applicable accounting standards and the information provided in the financial statements give a true and fair view of the Company's and Group's assets, liabilities, financial position and result for the period. The financial report provides an accurate view of the development, performance and financial position of the Company and the Group and includes a description of the key risks and uncertainties the Group is faced with.

Oslo, 28 May 2024

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen  
Chairman of the Board

Roger Adolfsen  
Member of the Board

Johnny R. Sundal  
Member of the Board

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**TICKER CODES:**

Hospitality Invest has issued a bond loan with the following name:

Hospitality Invest AS 22/25 FRN FLOOR C, ISIN: NO0012708165

Ticker: HOIN03 (the bond was listed on Oslo Stock Exchange in June 2023)

Other bond loans in the Group listed on Oslo Stock Exchange are:

Norlandia Health AS 21/25 FRN Floor C

Ticker: NHCG01 ESG

Norlandia Health AS 21/25 FRN SEK Floor C

Ticker: NHCG02 ESG

This report was released for publication on 28 May 2024.



# GROUP FINANCIAL STATEMENT

## CONDENSED CONSOLIDATED INCOME STATEMENT

(All figures in NOK million)

	Notes	Q1 24	YTD 24	Q1 23	YTD 23	FY 23
<b>Operating income</b>						
Revenue		4,214.6	4,214.6	3,659.4	3,659.4	15,870.4
Other operating income		17.0	17.0	4.8	4.8	77.7
<b>Total operating income</b>	4	<b>4,231.6</b>	<b>4,231.6</b>	<b>3,664.2</b>	<b>3,664.2</b>	<b>15,948.1</b>
<b>Operating expenses</b>						
Raw materials and consumables used		347.0	347.0	242.0	242.0	1,003.7
Personnel expenses		2,940.3	2,940.3	2,552.6	2,552.6	11,071.0
Other operating expenses		569.1	569.1	533.1	533.1	2,249.7
<b>EBITDA</b>	4	<b>375.2</b>	<b>375.2</b>	<b>336.4</b>	<b>336.4</b>	<b>1,623.7</b>
Depreciation		291.8	291.8	247.3	247.3	1,095.3
<b>EBITA</b>	4	<b>83.4</b>	<b>83.4</b>	<b>89.2</b>	<b>89.2</b>	<b>528.4</b>
Amortization	5	17.1	17.1	14.2	14.2	149.4
<b>EBIT</b>		<b>66.3</b>	<b>66.3</b>	<b>75.0</b>	<b>75.0</b>	<b>379.0</b>
<b>Finance</b>						
Net finance	6	-189.1	-189.1	-140.7	-140.7	-665.1
Share of post-tax profits of associates		-5.2	-5.2	31.8	31.8	51.7
<b>Profit before income tax</b>		<b>-128.0</b>	<b>-128.0</b>	<b>-34.0</b>	<b>-34.0</b>	<b>-234.3</b>
Income tax	8	0.5	0.5	1.8	1.8	-16.5
<b>Profit\loss (-) for the period</b>		<b>-127.6</b>	<b>-127.6</b>	<b>-32.2</b>	<b>-32.2</b>	<b>-250.8</b>
<b>Proti/loss for the period attributable to:</b>						
Equity holders of the parent company		-101.3	-101.3	-30.0	-30.0	-218.5
Non-controlling interests		-26.2	-26.2	-2.2	-2.2	-32.3

## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(All figures in NOK million)

	Notes	Q1 24	YTD 24	Q1 23	YTD 23	FY 23
<b>Other comprehensive income</b>						
Profit/loss (-) for the period		-127.6	-127.6	-32.2	-32.2	-250.8
Changes in pension liabilities		-	-	-	-	10.6
Deferred tax related to these items		-	-	-	-	-3.0
<b>Items that will not be reclassified to profit and loss</b>		<b>-127.6</b>	<b>-127.6</b>	<b>-32.2</b>	<b>-32.2</b>	<b>-243.2</b>
Currency translation differences		7.3	7.3	33.7	33.7	30.4
<b>Items that are or may be subsequently reclassified to profit and loss</b>		<b>7.3</b>	<b>7.3</b>	<b>33.7</b>	<b>33.7</b>	<b>38.0</b>
<b>Total comprehensive income for the period</b>		<b>-120.3</b>	<b>-120.3</b>	<b>1.5</b>	<b>1.5</b>	<b>-212.8</b>
<b>Attributable to</b>						
Equity holders of the parent company		-93.3	-93.3	-3.2	-3.2	-183.4
Non-controlling interest		-27.0	-27.0	4.7	4.7	-29.4
<b>Total comprehensive income for the period</b>		<b>-120.3</b>	<b>-120.3</b>	<b>1.5</b>	<b>1.5</b>	<b>-212.8</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All figures in NOK million)

### ASSETS

	Notes	31/03/2024	31/12/2023
<b>Non-current assets</b>			
Deferred tax assets		267.5	124.2
Goodwill	9	3,608.7	3,588.4
Intangible assets	9	773.2	787.1
Property, plant & equipment		1,309.6	1,151.5
Right-of-use assets		7,729.6	7,526.3
Investment in associated companies		646.5	741.3
Loan to associated companies		139.9	46.8
Other investments		240.2	241.4
Other long-term receivables		208.1	224.9
<b>Total non-current assets</b>		<b>14,923.3</b>	<b>14,432.0</b>
<b>Current assets</b>			
Inventories		455.2	84.1
Trade and other receivables		2,080.4	2,089.0
Market based investments		94.2	94.5
Cash and cash equivalents		597.2	752.8
<b>Total current assets</b>		<b>3,227.0</b>	<b>3,020.4</b>
<b>Total assets</b>		<b>18,150.3</b>	<b>17,452.4</b>

## CONDENSED CONSOLIDATED BALANCE SHEET STATEMENT

(All figures in NOK million)

### EQUITY AND LIABILITIES

	Notes	31/03/2024	31/12/2023
<b>Equity</b>			
Share capital		24.3	24.3
Own shares		-0.1	-0.1
Other equity		1,289.2	1,513.7
<b>Equity attributable to owners of the parent</b>		<b>1,313.4</b>	<b>1,538.0</b>
Non-controlling interest		130.9	171.1
<b>Total equity</b>		<b>1,444.4</b>	<b>1,709.0</b>
<b>Liabilities</b>			
Pension liabilities		6.1	5.7
Deferred tax liability		266.6	123.4
Loans and borrowings	10	4,365.5	4,186.2
Lease liability		7,411.3	7,204.1
<b>Total non-current liabilities</b>		<b>12,049.5</b>	<b>11,519.3</b>
Trade and other payables		2,932.0	2,827.9
Loans and borrowings	10	788.6	475.4
Lease liability		928.9	897.6
Taxes payable		7.0	23.1
<b>Total current liabilities</b>		<b>4,656.4</b>	<b>4,224.1</b>
<b>Total liabilities</b>		<b>16,705.9</b>	<b>15,743.4</b>
<b>Total equity and liabilities</b>		<b>18,150.3</b>	<b>17,452.4</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

(All figures in NOK million)

	Q1 24	YTD 24	Q1 23	FY 23
<b>Cash flow from operating activities</b>				
<b>Profit for the year</b>	-127.6	-127.6	-32.2	-250.8
Depreciation and amortisation	308.9	308.9	257.7	1,244.6
Share of post-tax profits of associates	5.2	5.2	-31.8	-51.7
Net gain/loss from sale of assets	-17.0	-17.0	-4.2	-77.7
Changes in fair value of market-based investments	0.3	0.3	-15.8	24.6
Interest income / Interest expense	189.1	189.1	109.0	665.1
Income tax expense	-0.5	-0.5	-1.8	16.5
<b>Change in working capital</b>				
Changes in trade and other receivable and other current assets	17.0	17.0	-447.8	-571.1
Increase in inventories	-371.2	-371.2	-3.4	-10.2
Increase in trade and other payables and other current liabilities	76.4	76.4	551.7	380.2
Increase in provisions and employee benefits			-	8.4
<b>Net cash flow from operating activities</b>	<b>80.7</b>	<b>80.7</b>	<b>381.4</b>	<b>1,377.9</b>
Income taxes paid	-16.2	-16.2		-20.4
<b>Net cash flow from operating activities</b>	<b>64.6</b>	<b>64.6</b>	<b>381.4</b>	<b>1,357.5</b>
<b>Cash flow from investing activities</b>				
Purchase property, plant and equipment	-158.1	-158.1	-67.3	-282.4
Investment in shares in subsidiaries	94.8	94.8	-	62.7
Proceeds from sale of assets	-	-	-	60.3
Investment in shares in other companies	1.2	1.2	6.0	-82.9
Interest received	6.5	6.5	9.5	58.6
Loans to associated companies	-69.0	-69.0	73.5	93.9
Financial receivables	-76.2	-76.2	7.8	32.8
<b>Net cash flow from investing activities</b>	<b>-200.8</b>	<b>-200.8</b>	<b>29.5</b>	<b>-57.1</b>
<b>Cash flow from financing activities</b>				
Proceeds from long-term borrowings from finance institutions	104.6	104.6	766.8	10.1
Payment of long-term loan to finance institutions			-784.9	-172.9
Change in short-term loan to finance institutions	313.1	313.1	-	322.5
Payments of lease liability - amortization	-307.8	-307.8	-196.5	-918.9
Interest paid	-127.7	-127.7	-99.0	-462.7
Distribution to non-controlling interest	-	-	-	12.9
Repayment of current bond	-	-	-	-657.4
Proceeds from non-current bonds	-	-	-	501.4
<b>Net cash flow from financing activities</b>	<b>-17.8</b>	<b>-17.8</b>	<b>-313.6</b>	<b>-1,365.0</b>
<b>Changes in cash and cash equivalents</b>				
Net change in cash and cash equivalents	-154.1	-154.1	97.4	-64.6
Effects of changes in exchange rates on cash	-1.6	-1.6	9.8	31.4
Cash and cash equivalents at the beginning of period	752.8	752.8	786.1	786.1
<b>Cash and cash equivalents at end of period</b>	<b>597.2</b>	<b>597.2</b>	<b>893.3</b>	<b>752.9</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All figures in NOK million)

	Note s	Share capital	Own shares	Share premium	Retained earnings	Translation differences	Total equity to holders of the parent	Non- controllin g interests	Total equity
<b>Balance as of 31-December-22</b>		<b>20.4</b>	<b>-0.1</b>	<b>171.9</b>	<b>1,294.2</b>	<b>12.7</b>	<b>1,499.2</b>	<b>224.5</b>	<b>1,723.7</b>
Profit					-218.5		-218.5	-32.3	-250.8
Other comprehensive Income					4.7	30.4	35.1	2.9	38.0
<b>Total comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-213.8</b>	<b>30.4</b>	<b>-183.4</b>	<b>-29.4</b>	<b>-212.8</b>
Capital increase		3.9		296.4			300.3		300.3
Distribution to non-controlling interest					13.2		13.2	-0.3	12.9
Effect from acquisition and sale of subsidiary					-108.9	17.7	-91.2	-23.8	-115.0
<b>Total contributions and distributions</b>		<b>3.9</b>	<b>-</b>	<b>296.4</b>	<b>-95.7</b>	<b>17.7</b>	<b>222.2</b>	<b>-24.1</b>	<b>198.1</b>
<b>Balance as of 31-December-23</b>		<b>24.3</b>	<b>-0.1</b>	<b>468.3</b>	<b>984.7</b>	<b>60.7</b>	<b>1,538.0</b>	<b>171.1</b>	<b>1,709.0</b>
<b>Balance as of 1-January-24</b>		<b>24.3</b>	<b>-0.1</b>	<b>468.3</b>	<b>984.7</b>	<b>60.7</b>	<b>1,538.0</b>	<b>171.1</b>	<b>1,709.0</b>
Profit					-101.3		-101.3	-26.2	-127.6
Other comprehensive Income						8.1	8.1	-0.8	7.3
<b>Total comprehensive Income</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-101.3</b>	<b>8.1</b>	<b>-93.3</b>	<b>-27.0</b>	<b>-120.3</b>
Dividend							-		-
Capital increase							-		-
Effect from acquisition and sale of subsidiary					-62.5	-68.7	-131.2	-13.1	-144.4
<b>Total contributions and distributions</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-62.5</b>	<b>-68.7</b>	<b>-131.2</b>	<b>-13.1</b>	<b>-144.4</b>
<b>Balance as of 31-December-24</b>		<b>24.3</b>	<b>-0.1</b>	<b>468.3</b>	<b>820.9</b>	<b>0.1</b>	<b>1,313.4</b>	<b>130.9</b>	<b>1,444.4</b>



# NOTES

## 1. GENERAL

The consolidated financial statements of Hospitality Invest AS comprise the company and its subsidiaries, collectively referred to as the Group. The Group operates within markets that involve certain operational risk factors. The Group is further exposed to risk that arise from its use of financial instruments. The various companies within the Group are systematically working to mitigate and manage risk on all levels. The Annual report for 2022 offers additional description of the Group's objectives, policies and processes for managing those risk elements and the methods used to measure them.

## 2. BASIS FOR PREPARATION

The condensed interim financial statements for the Group have been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report does not include all the information required for complete annual consolidated financial statements and should be read in conjunction with the financial statements of the Group for 2022. They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS® Accounting Standards as adopted by the EU. However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements. The accounting policies and methods of computation are the same as those described in the Annual consolidated financial statements 2022. The condensed interim financial statements have not been subject to an audit by the independent auditor.

### BUSINESS COMBINATION UNDER COMMON CONTROL

In Q1 2023 Norlandia Health and Care Group acquired control over Frösunda Omsorg AB ("Frösunda") including its parent company Brado AB ("Brado"), which was defined as a business combination under common control.

There is currently no specific guidance on accounting for common control transactions that involve the transfer of control over one or more businesses under IFRS Standards, as IFRS 3 Business Combinations does not address the appropriate accounting for business combinations under common control. In the absence of specific guidance, the Group has developed and selected an appropriate accounting policy using the hierarchy described in IAS 8 Accounting Policies, Changes in Accounting Estimates and Errors.

Considering relevant facts and circumstances for common control transactions management has chosen to apply a method broadly described as predecessor value method. The principles of predecessor value method are that assets and liabilities of the acquired entity are stated at predecessor carrying values, and fair value measurement is not required. No new goodwill arises in predecessor value method. Any difference between the consideration given and the aggregate carrying value of the assets and liabilities of the acquired entity at the date of the transaction is included in equity in retained earnings, see note 11.

A prospective presentation method is applied, where the acquired entity's results and balance sheet are incorporated prospectively from the date on which the business combination between entities under common control occurred.

## 3. ADDITIONAL ACCOUNTING PRINCIPLES

Share of post-tax profits from associates is reported as an financial item and on a separate line in the consolidated income statement.

#### 4. REVENUE, EBITDA AND EBITA BY SEGMENT

The Group has identified operating segments in accordance with the reporting requirement in IFRS 8. Based on the legal structure and the internal reporting the reportable segments are; “Care”, “Staffing”, “Hotel Operations” and “Other”. The segment “Other” consists of the Parent company Hospitality Invest and the majority of HI Capital’s investments, including several diversified investments.

NOK million	Q1 24	Q4 23	YTD 24	Q1 23	Q4 22	YTD 23
<b>Revenue by segment</b>						
Care	2,955.6	2,869.7	2,955.6	2,484.4	2,003.5	2,484.4
Staffing	635.2	724.4	635.2	739.6	745.1	739.6
Hotel Operations	246.3	247.6	246.3	197.8	246.2	197.8
Other	394.5	293.7	394.5	242.3	264.4	242.3
<b>Total</b>	<b>4,231.6</b>	<b>4,135.3</b>	<b>4,231.6</b>	<b>3,664.2</b>	<b>3,259.2</b>	<b>3,664.2</b>

NOK million	Q1 24	Q4 23	YTD 24	Q1 23	Q4 22	YTD 23
<b>EBITDA by segment</b>						
Care	397.5	341.1	397.5	321.5	241.4	321.5
Staffing	-6.6	-12.0	-6.6	9.7	18.9	9.7
Hotel Operations	9.9	24.5	9.9	3.2	38.7	3.2
Other	-25.6	3.7	-25.6	2.0	12.6	2.0
<b>Total</b>	<b>375.2</b>	<b>357.3</b>	<b>375.2</b>	<b>336.4</b>	<b>311.6</b>	<b>336.4</b>

NOK million	Q1 24	Q4 23	YTD 24	Q1 23	Q4 22	YTD 23
<b>EBITDA by segment (excl. IFRS 16)</b>						
Care	139.6	81.1	139.6	111.6	61.4	111.6
Staffing	-12.0	-18.1	-12.0	4.4	11.9	4.4
Hotel Operations	-27.7	-7.5	-27.7	-32.3	-2.6	-32.3
Other	-32.6	-2.2	-32.6	-3.7	1.6	-3.7
<b>Total</b>	<b>67.3</b>	<b>53.3</b>	<b>67.3</b>	<b>80.1</b>	<b>72.4</b>	<b>80.1</b>

NOK million	Q1 24	Q4 23	YTD 24	Q1 23	Q4 22	YTD 23
<b>EBITA by segment</b>						
Care	156.5	91.5	156.5	123.2	65.3	123.2
Staffing	-13.3	-19.4	-13.3	3.6	10.4	3.6
Hotel Operations	-25.3	-11.1	-25.3	-32.7	-1.1	-32.7
Other	-34.5	-5.5	-34.5	-4.9	-0.0	-4.9
<b>Total</b>	<b>83.4</b>	<b>55.6</b>	<b>83.4</b>	<b>89.2</b>	<b>74.6</b>	<b>89.2</b>

#### 5. AMORTIZATION

Primarily relates to amortization of excess values in Otiga Group AS and Norlandia Care Group AS.

## 6. NET FINANCE

The finance income and loss is presented as a net amount in the profit and loss statement whereas the split is shown in the table below. The Non-realized currency effect mainly relates to the bond issued in SEK, and has a direct impact on the P&L. As the Group has net investments in SEK, this P&L effect is partially offset by a corresponding opposite effect through Currency translation differences in the Statement of Comprehensive income.

NOK million	Q1 24	Q4 23	YTD 24	Q1 23	Q4 22	YTD 23
<b>Net Finance</b>						
Interest income	6.5	29.3	6.5	9.5	14.6	9.5
Interest expenses	-196.3	-215.0	-196.3	-158.9	-140.6	-158.9
Net realized currency effects	-10.8	-6.6	-10.8	-13.9	11.5	-13.9
Other finance income	10.5	5.5	10.5	32.2	72.8	32.2
Other finance expenses	0.9	-44.2	0.9	-9.6	-13.4	-9.6
<b>Total</b>	<b>-189.1</b>	<b>-230.9</b>	<b>-189.1</b>	<b>-140.7</b>	<b>-55.1</b>	<b>-140.7</b>

## 7. FINANCIAL COVENANTS

The Group is in compliance with the covenants set out in all the Bond Agreements of the Group. Detailed calculation of the covenant metrics is provided in the chapter presenting the financial statement of the parent company Hospitality Invest. Norlandia Health & Care Group AS remains in compliance with the covenants set out in their Bond Agreement. Detailed calculation of the covenant metrics is provided in Q1 23 Financial Reports of Norlandia Health & Care AS.

## 8. TAX CALCULATIONS

Calculation of income tax is estimated on quarterly basis but the estimates are adjusted at year-end when final tax calculations are made and presented in the annual accounts.

## 9. INTANGIBLE ASSETS

Intangible assets were NOK 773 million at 31/03/2024, compared to NOK 787 million at 31/12/2023. This primarily relates to goodwill, excess value on customer contracts and trademark, generated through the various acquisitions.

## 10. BOND LOANS IN THE GROUP

The Group had three bond loans issued in the market as per end of this quarter. The bonds are listed on the Oslo Stock Exchange. For more information, please visit [www.euronext.com](http://www.euronext.com).

Bond Loans	Maturity	Currency	Amount (million)
Hospitality Invest AS	10/2025	NOK	700
Norlandia Health & Care Group AS	05/2025	NOK	1,130
Norlandia Health & Care Group AS	05/2025	SEK	1,102

## 12. EVENTS AFTER BALANCE SHEET DATE

No major events after balance sheet date.

Oslo, 23 February 2024

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen  
Chairman of the Board

Roger Adolfsen  
Member of the Board

Johnny R. Sundal  
Member of the Board

# FINANCIAL STATEMENT FOR THE PARENT COMPANY

## INCOME STATEMENT

(Amounts in NOK million)

	Note	Q1 24	YTD 24	Q1 23	YTD 23	FY 23
<b>Operating income</b>						
Revenue	3	-	-	0.4	0.4	18.5
<b>Total operating income</b>		<b>-</b>	<b>-</b>	<b>0.4</b>	<b>0.4</b>	<b>18.5</b>
<b>Operating expenses</b>						
Personnel expenses		-5.4	-5.4	-4.8	-4.8	-16.4
Other operating expenses		-2.2	-2.2	-2.9	-2.9	-9.5
<b>EBITDA</b>		<b>-7.6</b>	<b>-7.6</b>	<b>-7.3</b>	<b>-7.3</b>	<b>-7.4</b>
Depreciation		-0.2	-0.2	-0.2	-0.2	-1.3
<b>Operating profit (EBIT)</b>		<b>-7.8</b>	<b>-7.8</b>	<b>-7.5</b>	<b>-7.5</b>	<b>-8.7</b>
<b>Finance</b>						
Finance income	1	-5.2	-5.2	0.2	0.2	76.5
Finance costs	1	-21.5	-21.5	-17.6	-17.6	-79.5
<b>Profit before income tax</b>		<b>-34.4</b>	<b>-34.4</b>	<b>-24.9</b>	<b>-24.9</b>	<b>-11.7</b>
Income tax		-	-	-	-	-28.7
<b>Profit for the period</b>		<b>-34.4</b>	<b>-34.4</b>	<b>-24.9</b>	<b>-24.9</b>	<b>-40.4</b>

## BALANCE SHEET STATEMENT

(Amounts in NOK million)

### ASSETS

	Note	31/03/2024	31/12/2023
<b>Non-current assets</b>			
Deferred tax asset		18.0	18.0
Machinery and equipment		3.1	3.3
Investments in subsidiaries		1,808.4	1,808.4
Investment in associated companies		196.7	190.1
Loans to group companies		-	-
Investment in shares		1.9	22.3
Other receivables		3.2	16.2
<b>Total non-current assets</b>		<b>2,031.3</b>	<b>2,058.3</b>
<b>Current assets</b>			
Accounts receivables		6.3	6.2
Other receivables	2	84.9	84.9
Cash and cash equivalents		58.8	67.8
<b>Total current assets</b>		<b>150.0</b>	<b>158.9</b>
<b>Total assets</b>		<b>2,181.3</b>	<b>2,217.1</b>



## BALANCE SHEET STATEMENT

(Amounts in NOK million)

### EQUITY AND LIABILITIES

	Note	31/03/2024	31/12/2023
<b>Equity</b>			
Share capital		24.3	24.3
Own shares		(0.1)	(0.1)
Share premium reserve		468.3	468.3
Other equity		865.9	900.3
<b>Total equity</b>		<b>1,358.4</b>	<b>1,392.9</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Bonds		700.0	700.0
Liabilities to financial institutions		3.1	3.2
<b>Total non-current liabilities</b>		<b>703.1</b>	<b>703.2</b>
<b>Current liabilities</b>			
Trade creditors		1.2	1.9
Bonds		20.1	20.3
Other short-term liabilities		98.4	98.8
<b>Total current liabilities</b>		<b>119.8</b>	<b>121.0</b>
<b>Total liabilities</b>		<b>822.9</b>	<b>824.3</b>
<b>Total equity and liabilities</b>		<b>2,181.3</b>	<b>2,217.1</b>

## NOTES

### 1. FINANCE INCOME AND FINANCE COST

Finance income comprises of dividend from other investments and group contributions received while finance cost is interest paid on bond loan.

### 2. GROUP RECEIVABLES AND SHORT-TERM DEBT TO GROUP COMPANIES

Group receivables of NOK 227,7 million is group contribution with circular contribution OF NOK 147.6 million for tax purposes in other short term liabilities.

### 3. REVENUES

Revenue consists of management fees to other Group companies and invoicing of shared costs.

## FINANCIAL COVENANTS (Unaudited)

(Amounts in NOK thousand)

	Q1 24	Q4 23	Q3 23	Q2 23	Q1 23
<b>CASH AND CASH EQUIVALENTS &gt; MNOK 30</b>					
Hospitality Invest	58.8	67.8	31.8	42.9	57.9
<b>Total cash and cash equivalents</b>	<b>58.8</b>	<b>67.8</b>	<b>31.8</b>	<b>42.9</b>	<b>57.9</b>
<b>BOOK EQUITY &gt; MNOK 550</b>					
Equity	1,358.4	1,392.9	1,420.3	1,437.0	1,453.1
<b>Book Equity</b>	<b>1,358.4</b>	<b>1,392.9</b>	<b>1,420.3</b>	<b>1,437.0</b>	<b>1,453.1</b>

# GROUP WEB PAGES

## PARENT & SUBSIDIARIES

Hospitality Invest AS  
[www.hospitalityinvest.no](http://www.hospitalityinvest.no)

Norlandia Heath & Care Group AS  
[www.nhcgroup.no](http://www.nhcgroup.no)

Haneseth Gruppen AS  
[www.haneseth.no](http://www.haneseth.no)

Otiga Group AS  
[www.otigagroup.com](http://www.otigagroup.com)

Norlandia Hotel Group AS  
[www.norlandiahotelgroup.no](http://www.norlandiahotelgroup.no)

Ifront Karriere AS  
[www.ifront-karriere.no](http://www.ifront-karriere.no)

## ASSOCIATED COMPANIES

Pioneer Property Group ASA  
[www.pioneerproperty.no](http://www.pioneerproperty.no)

Voss Resort  
[www.vossresort.no](http://www.vossresort.no)

Elywhere AS  
[www.elywhere.com](http://www.elywhere.com)

Ferda AS  
[www.ferda.no](http://www.ferda.no)

Miliarium Bolig AS  
[www.miliarium.no](http://www.miliarium.no)

Norefjell Ski & Spa AS  
[www.norefjellskiogspa.no](http://www.norefjellskiogspa.no)

Winn Hotel Group AB  
[www.winn.se](http://www.winn.se)

Hvalsafari AS  
[www.whalesafari.no](http://www.whalesafari.no)

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