

Q3

INTERIM REPORT  
2024

OXYO

HANSETH  
ENERGI

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# KEY FIGURES

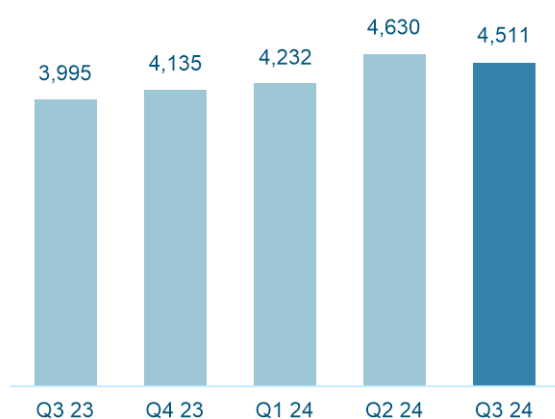
(All figures in NOK million)

	Q3 24	Q2 24	YTD 24	Q3 23	Q2 23	YTD 23
Total revenues	4,511.3	4,630.5	13,373.3	3,994.8	4,153.8	11,812.8
EBITDA	532.1	536.3	1,443.6	553.6	376.3	1,266.4
EBITDA (%)	11.8 %	11.6 %	10.8 %	13.9 %	9.1 %	10.7 %
EBITDA (excl. IFRS 16)	203.2	207.7	478.1	195.9	174.8	450.8
EBITDA (%)	4.5 %	4.5 %	3.6 %	4.9 %	4.2 %	3.8 %
EBITA	221.8	225.1	530.2	209.4	174.2	472.8
EBITA (%)	4.9 %	4.9 %	4.0 %	5.2 %	4.2 %	4.0 %
EBIT	204.2	210.0	480.5	171.2	158.7	404.8
EBIT (%)	4.5 %	4.5 %	3.6 %	4.3 %	3.8 %	3.4 %
EBT	(75.1)	37.6	(165.5)	(30.8)	68.0	3.1
EBT (%)	-1.7 %	0.8 %	-1.2 %	-0.8 %	1.6 %	0.0 %

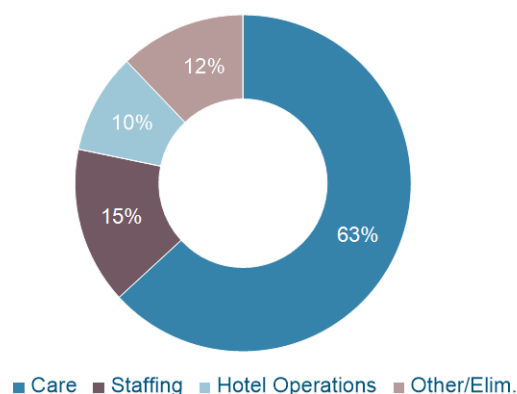
## Q3 24 HIGHLIGHTS

- Q3 24 revenues ended at NOK 4,511 million, an increase of NOK 516 million compared to NOK 3,995 million in Q3 23. The growth from last year was primarily driven by the consolidation of Caracap Group (Ferda) in Q1 24.
- Q3 24 revenue growth of 12.9 % compared to Q3 23, and -2.6 % compared to Q2 24. Q3 24 EBITA ended at NOK 222 million compared to NOK 209 million in Q3 23.

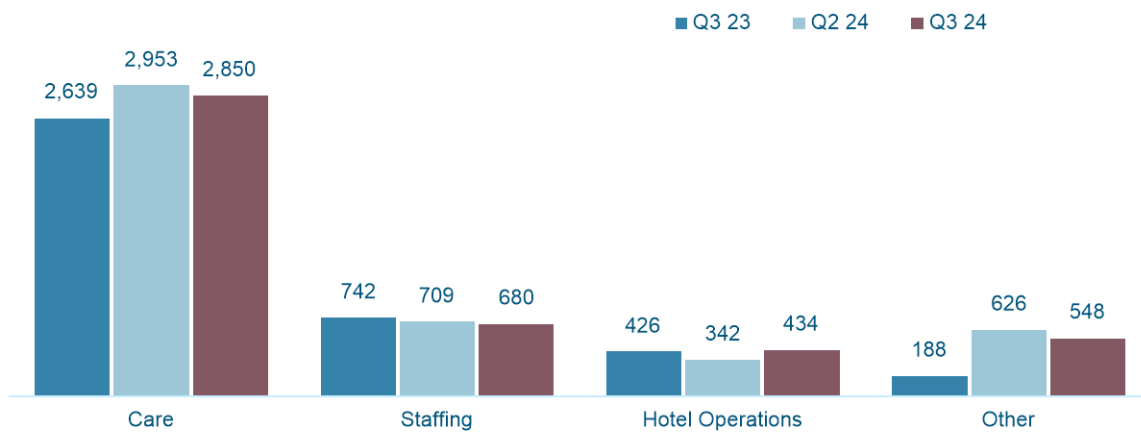
Revenue Per Quarter (MNOK)



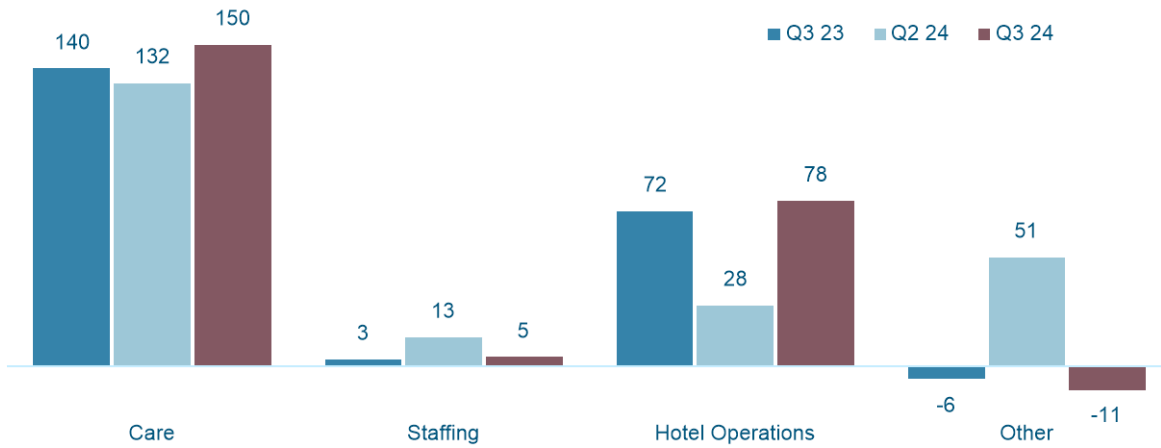
Segment Distribution Q3 24 (%)



Revenue Per Segment (MNOK)



EBITA Per Segment (MNOK)

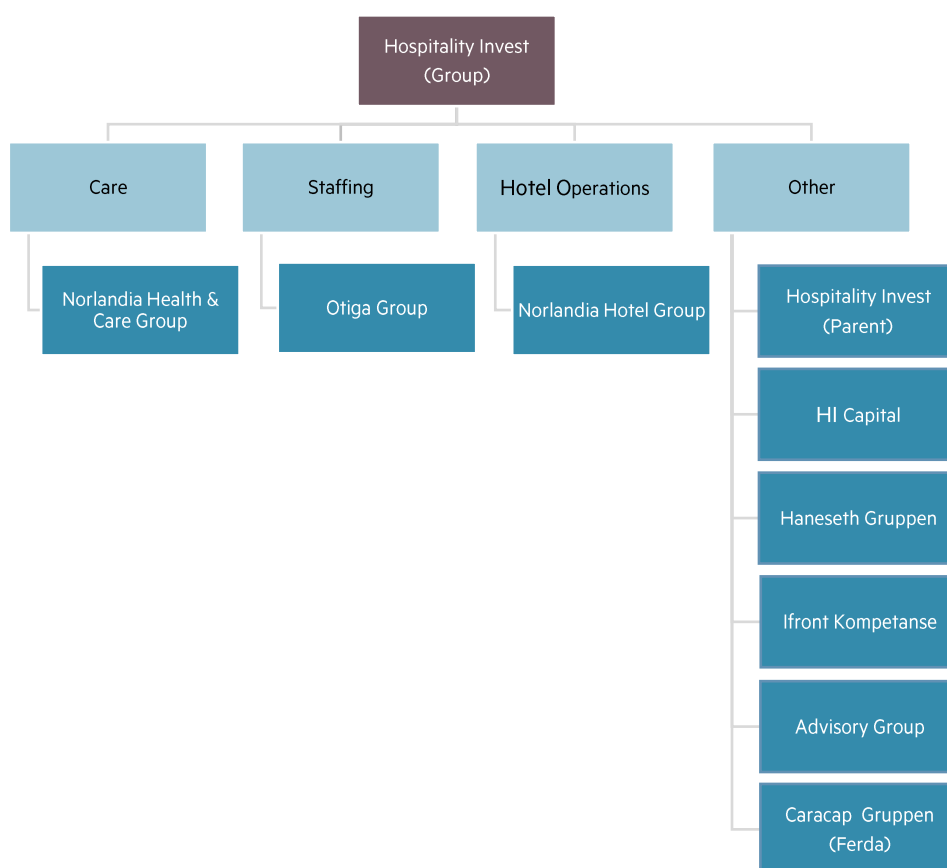


# HOSPITALITY INVEST

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"), Norlandia Health & Care Group AS ("NHC"), Haneseth Gruppen AS, Ifront Kompetanse AS and Caracap Gruppen AS. 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

## Otiga Group

Hospitality Invest provided a NOK 50 million shareholder loan to Otiga Group during July 2024, which during August 2024 was converted to equity through share capital increase.

## Norlandia Health & Care Group

In June 2024, Norlandia Health & Care Group successfully placed a senior secured sustainability-linked bond with a tenure of 4 years. The bond consists of a NOK tranche of NOK 1,250 million and a SEK tranche of SEK 1,050 million. The bonds will pay a margin of 550 bps p.a. above NIBOR and STIBOR respectively, and the net proceeds were used to refinance the former bonds in July 2024.

In July 2024, Norlandia Health & Care Group increased the credit limit of the short-term overdraft facility by DNB from NOK 350 million to NOK 500 million.

# FINANCIALS

## CONSOLIDATED INCOME STATEMENT PER 30/09/2024

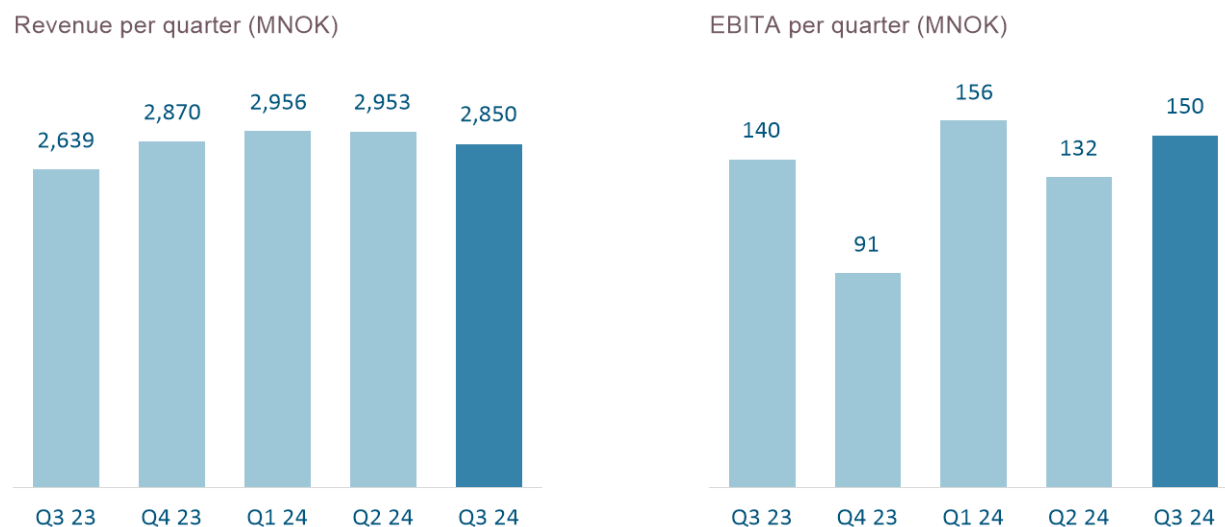
The Group reported total operating revenue of NOK 4,511 million in Q3 24 compared to NOK 4,630 million in Q2 24 and NOK 3,995 million in Q3 23. The growth year-on-year ("YoY") is primarily driven the increased ownership in Caracap (Ferda), leading to the consolidation of Caracap into the group figures but also driven by organic growth across most segments. EBITA for Q3 24 amounted to NOK 222 million (5%) compared to NOK 225 million (5%) in Q2 24 and NOK 209 million (5%) in Q3 23. Total operating expenses for the Group in Q3 24 ended at NOK -3,979 million. Net finance in Q3 24 ended at NOK -283 million. Net finance was mainly affected by a net interest expense of NOK -241 million. Change in net finance YoY was mainly driven by increased net interest expense. In total, the net profit for Q3 24 ended at NOK -73 million compared to NOK -23 million in Q3 23.

## CONSOLIDATED BALANCE SHEET STATEMENT PER 30/09/2024

Total non-current assets ended at NOK 15,237 million per end of Q3 24, of which NOK 8,122 million relates to IFRS 16 and the classification of "Right-of-Use assets". Total equity ended at NOK 1,370 million per Q3 24 compared to NOK 1,709 million at the end of 2023. Equity change is mainly related to consolidation of Caracap from Q1 24. The cash position of the Group per 30/09/2024 was NOK 555 million. Total non-current liabilities amounted to NOK 12,493 million, including NOK 7,799 million classified as "Lease liability" under IFRS 16. Total loans and borrowings amounted to NOK 5,195 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.

## BUSINESS SEGMENTS

### Care



Revenue for the Care segment ended at NOK 2,850 million in Q3 24 compared to NOK 2,953 million in Q2 24 and NOK 2,639 million in Q3 23. EBITA for Q3 24 ended at NOK 150 million (5.3 %) compared to NOK 132 million (4.5 %) in Q2 24 and NOK 140 million (5.3 %) in Q3 23.

Revenue increase of 8 % YoY (year-on-year) from the Preschool operations is mainly related to growth in Sweden and Poland, along with price adjustments. The revenue reduction compared to Q2 24 is explained by seasonality in Norway and Sweden, where there is no parent pay in July. EBITA increased YoY explained by improvements in Sweden and within other international markets (Finland, the Netherlands, and Poland). Overall demand is expected to increase, as the majority of the preschools are located in urban and newly built areas, which is favorable given the strong and continued urbanization trend.

In June, the Oslo District Court ruled against Norlandia Health & Care Group in the case challenging Norwegian authorities on the unequal treatment of private and public preschools, stating that the Ministry of Education has full discretion over equal treatment definitions and leaving municipalities responsible for any legal issues. The ruling has been appealed, as it lacks sufficient justification and undermines the equal treatment principle upheld since 2003. Regardless of the final outcome, limited negative impact is expected for the Norwegian operations. In November 2023, the Ministry of Education proposed changes to the Kindergarten Act, aimed at securing equal rights and high quality for all children in Norway. The proposal will increase disparities and limit parental choice, potentially reducing quality in the sector. Financially, however, sustainable improved earnings is expected going forward regardless of the proposition, backed by a strong and constructive relationship with the majority of the municipalities in which NHC operates preschools, developed over many years of cooperation.

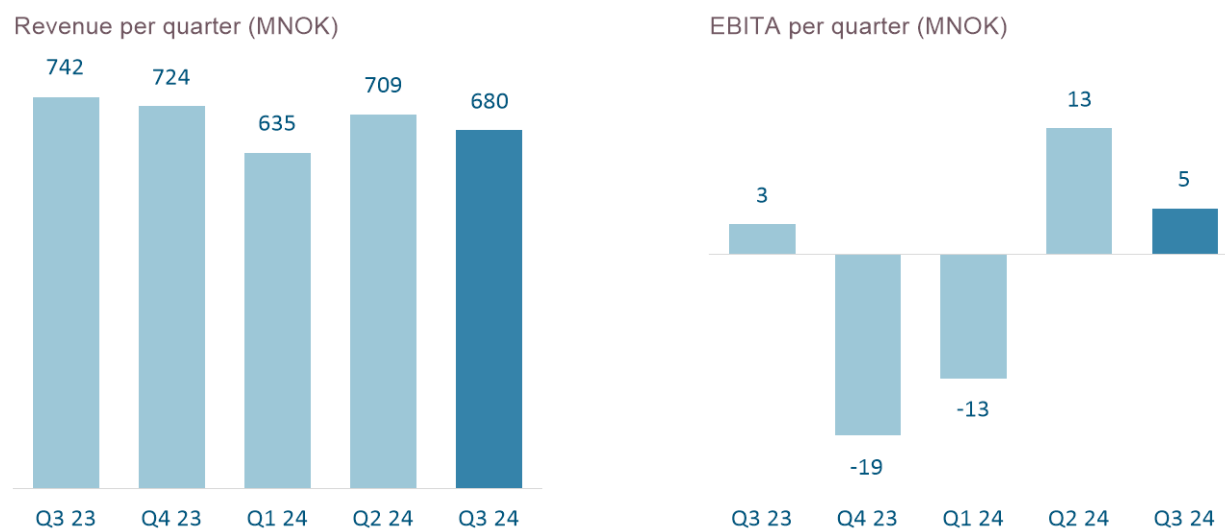
Revenues from Elderly Care services increased following start-up of a new own management unit in Q1 24, increased occupancy, and price adjustments. Growth YoY was partially offset by discontinuation of loss-making units. In Q3 24, Elderly Care reported an increase in EBITA YoY, mainly explained by increased occupancy, price adjustments, discontinuation of loss-making units and the ongoing efficiency and improved earnings initiatives. The segment delivered improved earnings for the fourth consecutive quarter and is gradually moving in the right direction now, seeing more effects of the continuous work on multiple ongoing actions. The share of own-management units has increased materially through new openings, now accounting for approximately half of the revenue base. Margins within own-management contracts are significantly higher than for ordinary tender contracts. This represents a material improvement potential from current levels for the segment overall. In all our markets there is a clear growing demand for elderly care, and in Sweden, this is underlined by Vårdföretagarna's (Private Health business organization in Sweden) estimated capacity requirement of 28,000 new places by 2032. The Norwegian market is experiencing a higher tender activity going forward and the municipality of Oslo launched four new tenders during the 2H 24.

Revenue and EBITA from Integration Services decreased both QoQ (quarter-on-quarter) and YoY explained by acute contracts being replaced by long-term ordinary contracts. Although 2022 and 2023 are regarded as peak years, high activity is expected going forward as UDI is planning for arrivals next year approximately on the same level as in 2024. Through new openings and won tenders recent quarters, Hero has a strong portfolio of long-term ordinary reception centers providing capacity to meet future demand. Although the

segment operates in an environment where long-term demand varies, revenues are strongly believed to remain at levels significantly higher than the irregularly low years 2018 – 2021. EBITA 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, proven through efficient closing of multiple acute units the last years, are amongst the factors that underpin the resilient cost base. The Norwegian and German operations are ready and able to deliver 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 earnings also when the Ukrainian crisis ends. The Interpretation services are rapidly growing and achieving new milestones due to winning new tenders. With technology driving new opportunities, the competitive landscape is constantly evolving. Hero is closely monitoring these changes and remain a key player in this dynamic market

Revenue from Individual & Family increased significantly YoY and QoQ mainly explained by organic growth in Norway and price adjustments. In Q3 24, a seasonally strong quarter, EBITA significantly increased YoY and QoQ with solid development within all three sub-segments. Aberia, the Norwegian operation, continues to grow organically and provided increased EBITA YoY. Aberia has grown to now reach an annual turnover of more than NOK 1,300 million. The core operations are strong on quality and reputation and should generate healthy EBITA going forward. Frösunda Omsorg (disability care) delivered improved EBITA YoY on the back of high operational efficiency along with satisfactory occupancy levels. The sub-segment has generated strong EBITA consistently over time and has a promising outlook in terms of top-line and EBITA development through an increasing pipeline of new units. Frösunda Personal Assistance delivered significantly increased EBITA YoY owing to efficiency improvements. Although progressing well in a challenging climate, profit levels within personal assistance are unreasonably low. Over time, the personal assistance sector in Sweden has been systematically underfinanced, significantly reducing margins to unsustainable levels. The price increase in 2024 came in at only 2.5 % while 3.0 % is announced for 2025. There are ongoing and intensified discussions to increase the prices back to healthy levels and ensure quality in a challenging sector. Both Aberia and Frösunda have performed extensive work to improve internal processes and routines to mitigate risks and strengthen the quality of their operations.

## Staffing



Revenue in the Staffing segment ended at NOK 680 million in Q3 24 compared to NOK 709 million in Q2 24 and NOK 742 million in Q3 23. There is a decrease in revenue in all markets QoQ but an increase in the Norwegian operations YoY.

EBITA for the Staffing segment ended at NOK 5 million (0.7 %) in Q3 24 compared to NOK 13 million (1.9 %) in Q2 24 and NOK 3 million (0.4 %) in Q3 23. Even though both the Norwegian and Finnish operations have increased their EBITA both QoQ and YoY, the Swedish operations see a decrease in EBITA both QoQ and YoY levelling out some of the positive effects from the other operations.

In Q3 24, the Norwegian operations experienced a YoY increase, and a QoQ decrease, in revenue. The increase compared to last year is mainly due to increased revenue from offshore and industry segments. Operations within the business areas offshore and industry continue to grow compared to last year, and positive development is expected into Q4 25 and 2025. The EBITA level has increased both QoQ and YoY. The increase in EBITA is driven by reduced sick leave and the strong performance within offshore and industry.



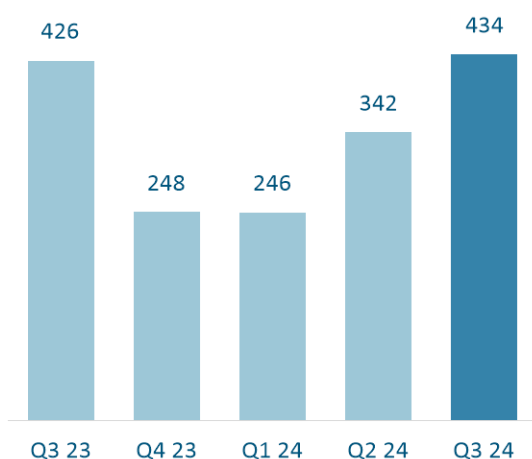
In Q3 24, the Swedish operations decreased revenues QoQ and YoY. The decrease in revenue in the Swedish segment is mainly related to a general market decline, with reduced activity within the general staffing segments. The market situation in Sweden is uncertain and the companies continue to navigate these markets with a defensive approach. EBITA in Q3 24 decreased QoQ and YoY mainly due to reduced activity and increased cost to one-off payments to temporary workers due to the new directive for maximum hiring periods. Margins are somewhat reduced due to weaker sentiments mainly within blue collar segments.

In Q3 24, revenue from the Finnish operations saw a decrease QoQ and YoY. The Finnish segment still faces challenges with a slow market, especially within construction and heavy industry. Furthermore, having completed a series of restructurings and scale-downs the focus on sales initiatives has been reduced. EBITA in Q3 24 improved both QoQ and YoY, showing a positive trend, having completed the phase of restructurings and cost savings, particularly directed towards reducing staff and fixed costs.

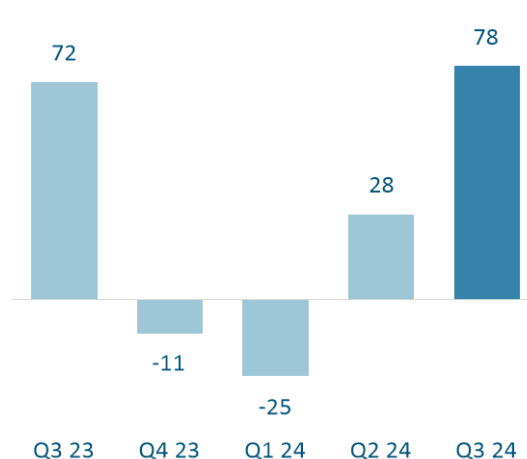
Having sustained its market share in a declining overall market, Otiga Group now sees early signs that the market is poised for a turnaround in 2025. Relevant economic indicators such as PMI, GDP outlooks and unemployment figures are looking more positive, and combined with falling interest rates in the Nordics, Otiga Group expects major improvements into 2025.

## Hotel Operations

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)



In Q3 24, revenue from the Hotel Operations segment increased QoQ to NOK 434 million from NOK 342 million in Q2 24, and increased YoY from NOK 426 million in Q3 23. Occupancy for the quarter ended at 66% compared to 59% in the previous quarter and 68% in the same quarter last year. The decline in occupancy is primarily explained by changes in the portfolio from last year. Among the new hotels is X Hotel at Hellerudsletta, with 436 rooms primarily targeted at the conference and congress market. These rooms have lower occupancy during the summer season, which contributes to a decline in overall occupancy for the hotel group. However, when comparing like-for-like, there has been a modest increase in occupancy compared to last year. The average price per sold room increased both compared to previous quarter and the same quarter last year. Revenue from food and beverage, as well as meeting rooms and events, has remained virtually unchanged from last year. The growth in revenue is primarily driven by increased accommodation revenue and the acquisition of new hotels. Four new hotels have been added since last year, two of which are jointly controlled entities. Organic growth for the quarter compared to last year was 6%.

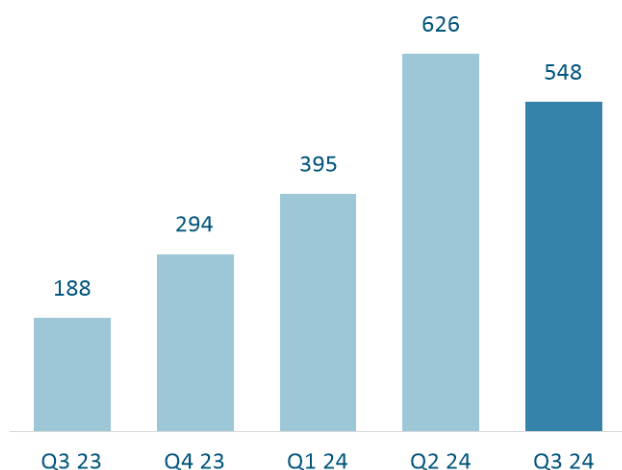
In Q3 24, the Hotel Operations segment reported an EBITA of NOK 78 million (17.9 %), compared to NOK 28 million (8.3 %) in Q2 24 and NOK 72 million (17.0 %) in Q3 23. EBITA for the quarter has improved compared to both the previous quarter and last year. The share of accommodation revenue relative to food and beverage revenue, as a percentage of total revenue, increased. As margins from room income are somewhat higher than from food and beverages, this has also resulted in a higher EBITA margin. Last year, electricity subsidies for the Swedish hotels were booked in the third quarter, which has not been the case this year. The four new hotels have contributed with negative EBITA for the quarter, partly due to ongoing renovations and startup costs. The growth in operating profit comes entirely from the existing portfolio.

At the end of the quarter, the hotel group consisted of a total of 4,299 rooms, of which 866 rooms have shared ownership with an external party. The current growth pipeline includes 405 new rooms, coming from new hotels and expansion projects on existing hotels. All

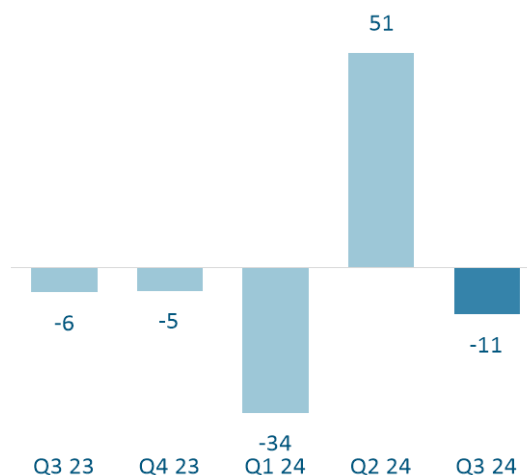
expected to open during 2026. During the quarter, a stake in the tour operator Story Travel, a specialist in experiential travel, was acquired within Adolfsen Group. Through this acquisition, the brand is expected to be further developed, while also exploring synergies with the hotel business and other tourism investments within the group. Renovations are underway at Notodden Hotel, Havna Tjøme Hotel, and Thon Partner Hotel Andrikken, with the latter also increasing the number of rooms.

## Other

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)

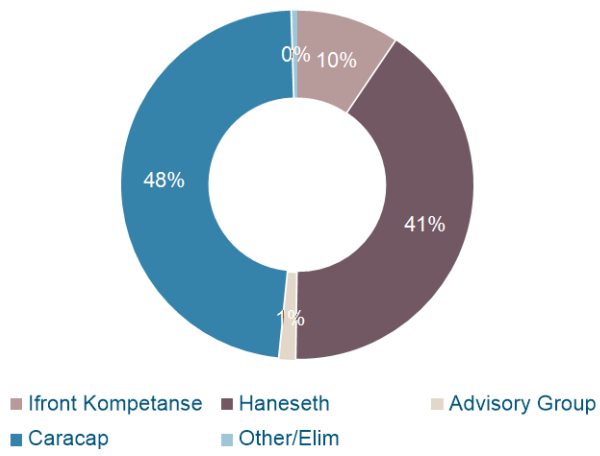


In Q3 24, revenues in the Other segment amounted to NOK 548 million, down from NOK 626 million in Q2 24 and up from NOK 188 million in Q3 23. Notably, Haneseth Gruppen AS contributed NOK 226 million in Q3 24 compared to NOK 173 million in Q2 24 and NOK 163 million in Q3 23, maintaining healthy margins. Caracap Group (Ferda), included in this segment from Q1 24, added NOK 266 million in Q3 24 compared to NOK 348 million in Q2 24. Ifront Kompetanse AS contributed with a revenue of NOK 52 million in Q3 24 compared to NOK 65 million in Q2 24 and NOK 42 million in Q3 23.

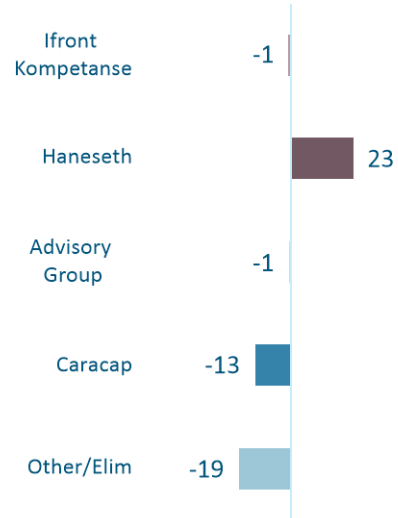
EBITA for Q3 24 was NOK -11 million compared to NOK 51 million in Q2 24 and NOK -6 million in Q3 23. There are substantial quarterly fluctuations due to seasonality, especially within Caracap Group (Ferda).

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 (5.2%) directly and indirectly through HI Capital AS and LNS Holding AS.

Other Segment Distribution Revenue Q3 24 (%)



Other Segment Distribution EBITA Q3 24 (MNOK)



## OUTLOOK AND MAIN RISK FACTORS

The present geopolitical landscape is undeniably fraught with increased tension and challenges in several areas around the world. Devastating scenes continue to unfold in the Middle East, in addition to the war in Ukraine that now has lasted for two and a half years. UDI prepares for a continued high number of refugees in 2024 and 2025 and considering the highly uncertain geopolitical climate going forward, Hero is mobilized to maintain its position as a central provider of accommodation for refugees being Norway's largest operator of immigration and refugee centres.

The Norwegian Ministry of Finance recently published the report on Long-term Perspectives on the Norwegian Economy (Perspektivmeldingen) 2024, a report addressing the major long-term challenges for the Norwegian economy. The message clearly underlines a fact that is well known; the number of elderly will increase dramatically, implying an accelerated need for new infrastructure and people working within healthcare. With a growing need for innovation to meet future quality requirements, it is clear that the factually known and upcoming challenges cannot be handled solely by the public sector. The same demographic development is largely expected in most of Western Europe including Sweden, by far the biggest market within elderly care, and Finland, where the Care segment has grown significantly recent years. Although the political climate has been challenging for private providers of elderly care, there is a shifting narrative where cooperation, diversity and freedom of choice comes before political ideology.

The report called "The future of European competitiveness" by Mario Draghi was published in September 2024. Many of the points addressed in the report have direct relevance to the Group. Recognizing the heavy regulatory load on EU businesses, Draghi advocates for streamlining reporting requirements, particularly around sustainability. This is directly relevant for the Group, which faces ESG reporting requirements under the EU's Corporate Sustainability Reporting Directive (CSRD). Reducing the regulatory burden could free up resources for more direct investment in operations and innovation. The report is very much in line with the Group's focus on increasingly intense use of digital tools to support the delivery of services.

The Hotel Operations segment expects stable conditions going forward. By the end of the quarter, the level of bookings was slightly behind last year, but ahead of the year before. During the quarter, the booking patterns have changed, with customers reserving rooms closer to the arrival date. If this trend continues, it is reasonable to assume that the booking level will recover and align closely with last year's levels in the coming months. The exchange rate for both the Norwegian and Swedish krone appears to be stabilizing at a low level. This has already been reflected in strong growth in international tourism to our destinations. Early this fall, Avinor presented an extensive list of new flight routes to and from Norway for the winter season, which seems positive for continued growth in international overnight guests. Towards the end of the year, the Norwegian government is expected to present a proposal for a tourist tax for consultation. Since the details of the tax have not been presented, it is challenging to analyze the potential consequences, but given that such a tax has not been introduced in other Nordic countries, it would put the Norwegian hotel industry at a competitive disadvantage if it becomes a reality.

The Staffing segment faces market conditions that remain somewhat uncertain, being regularly affected by political and regulatory developments in recent years. However, having completed restructurings in Norway, Sweden and Finland, the segment is better equipped to face the uncertainty. In Norway, the reduced ability to hire temporary workers has had a negative effect within certain segments such as logistics, construction and call centers, while other segments, such as industry and healthcare, has been growing. In Sweden, uncertainty exists regarding the new directive requiring companies to offer permanent employment to temporary workers from staffing agencies who have been employed at the company for a period of over two years. In Finland, the overall macroeconomic situation and thus the overall level of activity will be crucial to achieve the targets set for the remainder of the year. The Group looks for an upturn in key segments in Norway and Sweden for the industry and energy sectors for the remainder of 2024 and for 2025.

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 government plans a public inquiry into non-profit operating models within private welfare. 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, 22 November 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

**FOR MORE INFORMATION:**

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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 & Care Group AS 24/28 FRN FLOOR C  
Ticker: NHCG04 ESG

Norlandia Health & Care Group AS 24/28 FRN SEK FLOOR C  
Ticker: NHCG03 ESG

This report was released for publication on 22 November 2024.

# GROUP FINANCIAL STATEMENT

## CONDENSED CONSOLIDATED INCOME STATEMENT

(All figures in NOK million)

	Notes	Q3 24	YTD 24	Q3 23	YTD 23	FY 23
<b>Operating income</b>						
Revenue		4,504.3	13,347.4	3,977.1	11,776.8	15,870.4
Other operating income		7.0	25.9	17.7	36.0	77.7
<b>Total operating income</b>	4	<b>4,511.3</b>	<b>13,373.3</b>	<b>3,994.8</b>	<b>11,812.8</b>	<b>15,948.1</b>
<b>Operating expenses</b>						
Raw materials and consumables used		457.6	1,264.7	243.1	738.8	1,003.7
Personnel expenses		2,915.7	8,845.6	2,781.5	8,220.1	11,071.0
Other operating expenses		605.9	1,819.4	416.5	1,587.5	2,249.7
<b>EBITDA</b>	4	<b>532.1</b>	<b>1,443.6</b>	<b>553.6</b>	<b>1,266.4</b>	<b>1,623.7</b>
Depreciation		310.4	913.4	344.2	793.6	1,095.3
<b>EBITA</b>	4	<b>221.8</b>	<b>530.2</b>	<b>209.4</b>	<b>472.8</b>	<b>528.4</b>
Amortization	5	17.5	49.8	38.2	68.0	149.4
<b>EBIT</b>		<b>204.2</b>	<b>480.5</b>	<b>171.2</b>	<b>404.8</b>	<b>379.0</b>
<b>Finance</b>						
Net finance	6	-283.0	-649.0	-193.3	-442.7	-665.1
Share of post-tax profits of associates		3.7	3.0	-8.7	41.0	51.7
<b>Profit before income tax</b>		<b>-75.1</b>	<b>-165.5</b>	<b>-30.8</b>	<b>3.1</b>	<b>-234.3</b>
Income tax	8	2.3	0.8	7.9	14.1	-16.5
<b>Profit\loss (-) for the period</b>		<b>-72.7</b>	<b>-164.7</b>	<b>-22.9</b>	<b>17.2</b>	<b>-250.8</b>
<b>Profit/loss for the period attributable to:</b>						
Equity holders of the parent company		-56.5	-140.6	-14.8	18.8	-218.5
Non-controlling interests		-16.3	-24.0	-8.0	-1.6	-32.3



## CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(All figures in NOK million)

	Notes	Q3 24	YTD 24	Q3 23	YTD 23	FY 23
<b>Other comprehensive income</b>						
Profit/loss (-) for the period		-72.7	-164.7	-22.9	17.2	-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>-72.7</b>	<b>-164.7</b>	<b>-22.9</b>	<b>17.2</b>	<b>-243.2</b>
Currency translation differences		39.1	35.2	16.1	22.3	30.4
<b>Items that are or may be subsequently reclassified to profit and loss</b>		<b>39.1</b>	<b>35.2</b>	<b>16.1</b>	<b>22.3</b>	<b>38.0</b>
<b>Total comprehensive income for the period</b>		<b>-33.6</b>	<b>-129.5</b>	<b>-6.8</b>	<b>39.6</b>	<b>-212.8</b>
<b>Attributable to</b>						
Equity holders of the parent company		-19.7	-106.6	0.9	37.4	-183.4
Non-controlling interest		-13.9	-22.9	-7.7	2.1	-29.4
<b>Total comprehensive income for the period</b>		<b>-33.6</b>	<b>-129.5</b>	<b>-6.8</b>	<b>39.6</b>	<b>-212.8</b>

## CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All figures in NOK million)

### ASSETS

	Notes	30/09/2024	31/12/2023
<b>Non-current assets</b>			
Deferred tax assets		265.3	124.2
Goodwill	9	3,661.3	3,588.4
Intangible assets	9	750.7	787.1
Property, plant & equipment		1,349.2	1,151.5
Right-of-use assets		8,121.6	7,526.3
Investment in associated companies		648.8	741.3
Loan to associated companies		27.1	46.8
Other investments		197.1	241.4
Other long-term receivables		215.8	224.9
<b>Total non-current assets</b>		<b>15,237.1</b>	<b>14,432.0</b>
<b>Current assets</b>			
Inventories		456.6	84.1
Trade and other receivables		2,155.1	2,089.0
Market based investments		77.9	94.5
Cash and cash equivalents		554.9	752.8
<b>Total current assets</b>		<b>3,244.4</b>	<b>3,020.4</b>
<b>Total assets</b>		<b>18,481.5</b>	<b>17,452.4</b>

## CONDENSED CONSOLIDATED BALANCE SHEET STATEMENT

(All figures in NOK million)

### EQUITY AND LIABILITIES

	Notes	30/09/2024	31/12/2023
<b>Equity</b>			
Share capital		24.3	24.3
Own shares		-0.1	-0.1
Other equity		1,204.0	1,513.7
<b>Equity attributable to owners of the parent</b>		<b>1,228.2</b>	<b>1,538.0</b>
Non-controlling interest		141.5	171.1
<b>Total equity</b>		<b>1,369.8</b>	<b>1,709.0</b>
<b>Liabilities</b>			
Pension liabilities		5.7	5.7
Deferred tax liability		256.4	123.4
Loans and borrowings	10	4,431.5	4,186.2
Lease liability		7,799.2	7,204.1
<b>Total non-current liabilities</b>		<b>12,492.9</b>	<b>11,519.3</b>
Trade and other payables		2,858.1	2,827.9
Loans and borrowings	10	763.2	475.4
Lease liability		985.3	897.6
Taxes payable		12.3	23.1
<b>Total current liabilities</b>		<b>4,618.9</b>	<b>4,224.1</b>
<b>Total liabilities</b>		<b>17,111.7</b>	<b>15,743.4</b>
<b>Total equity and liabilities</b>		<b>18,481.5</b>	<b>17,452.4</b>

## CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

(All figures in NOK million)

	Q3 24	YTD 24	Q3 23	FY 23
<b>Cash flow from operating activities</b>				
<b>Profit for the year</b>	-72.8	-164.7	-22.9	-250.8
Depreciation and amortisation	327.9	963.2	382.5	1,244.6
Share of post-tax profits of associates	-3.6	-3.0	8.7	-51.7
Net gain/loss from sale of assets	-7.0	-25.9	-17.6	-77.7
Changes in fair value of market-based investments	29.8	31.8	-0.9	24.6
Interest income / Interest expense	283.0	649.0	202.0	665.1
Income tax expense	-2.3	-0.8	-7.9	16.5
<b>Change in working capital</b>				
Changes in trade and other receivable and other current assets	-221.6	-230.4	-397.3	-571.1
Increase in inventories	-2.5	-372.5	-	-10.2
Increase in trade and other payables and other current liabilities	-26.0	57.5	-23.7	380.2
Increase in provisions and employee benefits	-	-	-	8.4
<b>Net cash flow from operating activities</b>	<b>304.9</b>	<b>904.1</b>	<b>122.9</b>	<b>1,377.9</b>
Income taxes paid	8.8	-10.9	-	-20.4
<b>Net cash flow from operating activities</b>	<b>313.7</b>	<b>893.2</b>	<b>122.9</b>	<b>1,357.5</b>
<b>Cash flow from investing activities</b>				
Purchase property, plant and equipment	17.1	-197.7	42.9	-282.4
Net investment in shares in subsidiaries	-17.9	22.8	-	62.7
Proceeds from sale of assets	85.5	85.5	-	60.3
Net investment in shares in other companies	-73.7	-41.2	7.8	-82.9
Interest received	7.9	20.4	9.1	58.6
Loans to associated companies	41.4	33.0	-11.1	93.9
Financial receivables	40.3	28.8	-5.4	32.8
<b>Net cash flow from investing activities</b>	<b>100.6</b>	<b>-48.4</b>	<b>43.3</b>	<b>-57.1</b>
<b>Cash flow from financing activities</b>				
Proceeds from long-term borrowings from finance institutions	2,137.2	2,278.9	144.9	10.1
Payment of long-term loan to finance institutions	-2,112.0	-2,112.0	-45.4	-172.9
Change in short-term loan to finance institutions	24.7	195.5	-	322.5
Payments of lease liability - amortization	-329.0	-965.5	-357.7	-918.9
Interest paid	-174.1	-435.5	-114.2	-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>-453.1</b>	<b>-1,038.5</b>	<b>-372.3</b>	<b>-1,365.0</b>
<b>Changes in cash and cash equivalents</b>				
Net change in cash and cash equivalents	-38.8	-193.7	-206.1	-64.6
Effects of changes in exchange rates on cash	-7.4	-4.3	-12.6	31.4
Cash and cash equivalents at the beginning of period	601.0	752.8	818.6	786.1
<b>Cash and cash equivalents at end of period</b>	<b>554.8</b>	<b>554.8</b>	<b>599.9</b>	<b>752.9</b>

## CONDENSED CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(All figures in NOK million)

	Notes	Share capital	Own shares	Share premium	Retained earnings	Translation differences	Total equity to holders of the parent	Non-controlling interests	Total equity
<b>Balance as of 31-December-22</b>		20.4	-0.1	171.9	1,294.2	12.7	1,499.2	224.5	1,723.7
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>		-	-	-	-213.8	30.4	-183.4	-29.4	-212.8
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>		3.9	-	296.4	-95.7	17.7	222.2	-24.1	198.1
<b>Balance as of 31-December-23</b>		24.3	-0.1	468.3	984.7	60.7	1,538.0	171.1	1,709.0
<b>Balance as of 1-January-24</b>		24.3	-0.1	468.3	984.7	60.7	1,538.0	171.1	1,709.0
Profit					-140.6		-140.6	-24.0	-164.7
Other comprehensive Income						34.0	34.0	1.2	35.2
<b>Total comprehensive Income</b>		-	-	-	-140.6	34.0	-106.6	-22.9	-129.5
Dividend							-	-19.6	-19.6
Distribution to non-controlling interest								-11.2	-11.2
Capital increase							-		-
Effect from acquisition and sale of subsidiary					-131.2	-71.9	-203.1	24.1	-179.0
<b>Total contributions and distributions</b>		-	-	-	-131.2	-71.9	-203.1	-6.7	-209.8
<b>Balance as of 30-Sep-24</b>		24.3	-0.1	468.3	712.9	22.9	1,228.2	141.5	1,369.8

# 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 2023 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 2023. They do not include all the information required for a complete set of financial statements prepared in accordance with IFRS<sup>®</sup> 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 2023. The condensed interim financial statements have not been subject to an audit by the independent auditor.

## 3. ADDITIONAL ACCOUNTING PRINCIPLES

Share of post-tax profits from associates is reported as a 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	Q3 24	Q2 24	YTD 24	Q3 23	Q2 23	YTD 23
<b>Revenue by segment</b>						
Care	2,849.5	2,953.4	8,758.5	2,638.5	2,779.5	7,902.5
Staffing	679.9	708.6	2,023.7	742.2	834.6	2,316.4
Hotel Operations	434.2	342.3	1,022.8	426.3	300.8	864.5
Other	547.7	626.1	1,568.3	187.9	238.8	729.4
<b>Total</b>	<b>4,511.3</b>	<b>4,630.5</b>	<b>13,373.3</b>	<b>3,994.8</b>	<b>4,153.8</b>	<b>11,812.8</b>

NOK million	Q3 24	Q2 24	YTD 24	Q3 23	Q2 23	YTD 23
<b>EBITDA by segment</b>						
Care	406.7	377.1	1,181.3	362.7	340.9	1,025.1
Staffing	5.9	19.5	18.8	10.3	32.5	52.5
Hotel Operations	112.6	63.1	185.6	173.1	-17.1	156.7
Other	6.9	76.6	57.8	7.5	20.0	32.0
<b>Total</b>	<b>532.1</b>	<b>536.3</b>	<b>1,443.6</b>	<b>553.6</b>	<b>376.3</b>	<b>1,266.4</b>

NOK million	Q3 24	Q2 24	YTD 24	Q3 23	Q2 23	YTD 23
<b>EBITDA by segment (excl. IFRS 16)</b>						
Care	135.9	122.8	398.3	130.2	109.7	351.6
Staffing	5.5	12.1	5.6	4.6	25.4	34.4
Hotel Operations	73.6	24.8	70.6	66.3	18.4	49.8
Other	-11.8	48.0	3.6	-5.2	21.3	15.0
<b>Total</b>	<b>203.2</b>	<b>207.7</b>	<b>478.1</b>	<b>195.9</b>	<b>174.8</b>	<b>450.8</b>

NOK million	Q3 24	Q2 24	YTD 24	Q3 23	Q2 23	YTD 23
<b>EBITA by segment</b>						
Care	150.2	132.4	439.2	139.7	121.2	384.1
Staffing	4.8	13.5	5.0	3.2	22.6	29.3
Hotel Operations	77.7	28.4	80.8	72.4	11.0	48.6
Other	-11.0	50.8	5.3	-5.9	19.4	10.8
<b>Total</b>	<b>221.8</b>	<b>225.1</b>	<b>530.2</b>	<b>209.4</b>	<b>174.2</b>	<b>472.8</b>

#### 5. AMORTIZATION

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

## 6. NET FINANCE

The finance income and loss are 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	Q3 24	Q2 24	YTD 24	Q3 23	Q2 23	YTD 23
<b>Net Finance</b>						
Interest income	7.9	6.0	20.4	9.1	10.6	29.2
Interest expenses	-249.2	-212.2	-657.7	-198.3	-144.9	-502.0
Net realized currency effects	-6.5	17.1	-0.2	-2.4	18.8	2.4
Other finance income	-3.6	19.5	26.4	7.4	22.8	62.3
Other finance expenses	-31.5	-7.4	-37.9	-9.1	-16.0	-34.7
<b>Total</b>	<b>-283.0</b>	<b>-177.0</b>	<b>-649.0</b>	<b>-193.3</b>	<b>-108.7</b>	<b>-442.7</b>

## 7. FINANCIAL COVENANTS

The Group is in compliance with the covenants set out in all the Bank loan and Bond Agreements of the Group. Detailed calculation of Hospitality Invests covenant metrics is provided in the chapter presenting the financial statement of the parent company Hospitality Invest.

## 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 751 million at 30/09/2024, compared to NOK 787 million at 31/12/2023. This primarily relates to 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	07/2028	NOK	1,250
Norlandia Health & Care Group AS	07/2028	SEK	1,050

In June 2024, Norlandia Health & Care Group AS successfully placed a senior secured sustainability-linked bond. The bond consists of a NOK and SEK tranche with a total amount of NOK 2,300 million, and it has a minimum liquidity covenant of NOK 125 million. The bond is due in July 2028.

The bonds will pay a margin of 550 bps p.a. above NIBOR and STIBOR respectively, and the net proceeds were used to refinance the former bonds which were called and fully repaid in July 2024.

In March 2023, the long-term credit facility in Norlandia Health & Care Group AS was repaid, and in replacement, the company secured a short-term overdraft facility of NOK 350 million by DNB. This was increased to NOK 500 million in July 2024.



## 12. EVENTS AFTER BALANCE SHEET DATE

No material events have occurred after the balance sheet date which would have had any effect on the reported figures as of 30 September 2024.

Oslo, 22 November 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	Q3 24	YTD 24	Q3 23	YTD 23	FY 23
<b>Operating income</b>						
Revenue	3	-	8.6	5.5	13.3	18.5
<b>Total operating income</b>		-	<b>8.6</b>	<b>5.5</b>	<b>13.3</b>	<b>18.5</b>
<b>Operating expenses</b>						
Personnel expenses		-4.6	-14.2	-4.2	-12.1	-16.4
Other operating expenses		-1.5	-6.6	-2.8	-7.5	-9.5
<b>EBITDA</b>		<b>-6.1</b>	<b>-12.3</b>	<b>-1.6</b>	<b>-6.3</b>	<b>-7.4</b>
Depreciation		-0.2	-0.6	-0.3	-0.8	-1.3
<b>Operating profit (EBIT)</b>		<b>-6.2</b>	<b>-12.8</b>	<b>-1.9</b>	<b>-7.1</b>	<b>-8.7</b>
<b>Finance</b>						
Finance income	1	0.1	-4.3	5.7	7.1	76.5
Finance costs	1	-21.7	-64.7	-20.5	-57.7	-79.5
<b>Profit before income tax</b>		<b>-27.8</b>	<b>-81.8</b>	<b>-16.7</b>	<b>-57.7</b>	<b>-11.7</b>
Income tax		-	-	-	-	-28.7
<b>Profit for the period</b>		<b>-27.8</b>	<b>-81.8</b>	<b>-16.7</b>	<b>-57.7</b>	<b>-40.4</b>

## BALANCE SHEET STATEMENT

(Amounts in NOK million)

### ASSETS

	Note	30/09/2024	31/12/2023
<b>Non-current assets</b>			
Deferred tax asset		18.0	18.0
Machinery and equipment		1.8	3.3
Investments in subsidiaries		1,808.4	1,808.4
Investment in associated companies		198.6	190.1
Investment in shares		1.9	22.3
Other receivables		2.4	16.2
<b>Total non-current assets</b>		<b>2,031.0</b>	<b>2,058.3</b>
<b>Current assets</b>			
Accounts receivables		3.6	6.2
Other receivables	2	51.0	84.9
Cash and cash equivalents		43.1	67.8
<b>Total current assets</b>		<b>97.7</b>	<b>158.9</b>
<b>Total assets</b>		<b>2,128.7</b>	<b>2,217.1</b>

## BALANCE SHEET STATEMENT

(Amounts in NOK million)

### EQUITY AND LIABILITIES

	Note	30/09/2024	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		818.5	900.3
<b>Total equity</b>		<b>1,311.0</b>	<b>1,392.9</b>
<b>Liabilities</b>			
<b>Non-current liabilities</b>			
Bonds		700.0	700.0
Liabilities to financial institutions		2.7	3.2
<b>Total non-current liabilities</b>		<b>702.7</b>	<b>703.2</b>
<b>Current liabilities</b>			
Trade creditors		0.1	1.9
Bonds		20.3	20.3
Other short-term liabilities		94.6	98.8
<b>Total current liabilities</b>		<b>114.9</b>	<b>121.0</b>
<b>Total liabilities</b>		<b>817.7</b>	<b>824.3</b>
<b>Total equity and liabilities</b>		<b>2,128.7</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 51.0 million is group contribution. Other short-term liabilities of NOK 94.6 million are liabilities to group companies.

### 3. REVENUES

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

## FINANCIAL COVENANTS (Unaudited)

(Amounts in NOK millions)

	Q3 24	Q2 24	Q1 24	Q4 23	Q3 23
<b>CASH AND CASH EQUIVALENTS &gt; MNOK 30</b>					
Hospitality Invest	43.1	43.3	58.8	67.8	31.8
<b>Total cash and cash equivalents</b>	<b>43.1</b>	<b>43.3</b>	<b>58.8</b>	<b>67.8</b>	<b>31.8</b>
<b>BOOK EQUITY &gt; MNOK 550</b>					
Equity	1,311.0	1,338.9	1,358.4	1,392.9	1,420.3
<b>Book Equity</b>	<b>1,311.0</b>	<b>1,338.9</b>	<b>1,358.4</b>	<b>1,392.9</b>	<b>1,420.3</b>

# GROUP WEB PAGES

## PARENT & SUBSIDIARIES

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

Norlandia Health & 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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