HOSPITALITY INVEST

Q1

INTERIM REPORT 2023

AAP Aviation

CONTENT

KEY FIGURES

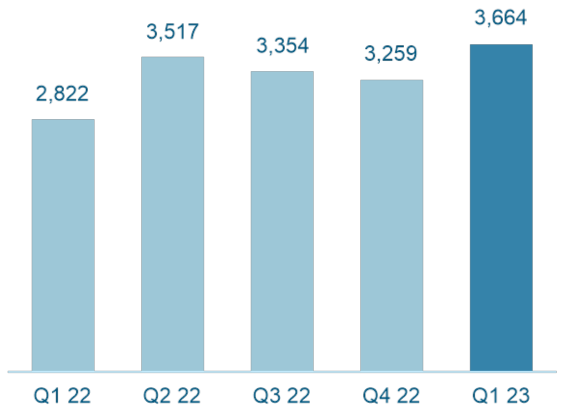
(All figures in NOK million)

	Q1 23	Q4 22	YTD 23	Q1 22	Q4 21	YTD 22
Total revenues	3,664.2	3,259.2	3,664.2	2,822.4	2,714.9	2,822.4
EBITDA	336.4	311.6	336.4	330.8	310.4	330.8
EBITDA (%)	9.2 %	9.6 %	9.2 %	11.7 %	11.4 %	11.7 %
EBITDA (excl. IFRS 16)	80.1	72.4	80.1	139.2	104.5	139.2
EBITDA (%)	2.2 %	2.2 %	2.2 %	4.9 %	3.8 %	4.9 %
EBITA	89.2	74.6	89.2	158.1	109.4	158.1
EBITA (%)	2.4 %	2.3 %	2.4 %	5.6 %	4.0 %	5.6 %
EBIT	75.0	56.9	75.0	141.9	84.8	141.9
EBIT (%)	2.0 %	1.7 %	2.0 %	5.0 %	3.1 %	5.0 %
EBT	(34.0)	(1.0)	(34.0)	84.4	79.0	84.4
EBT (%)	-0.9 %	0.0 %	-0.9 %	3.0 %	2.9 %	3.0 %

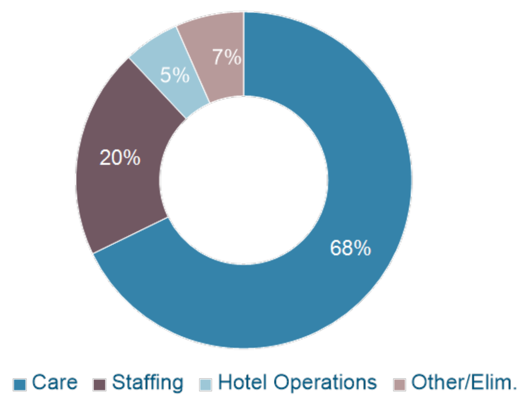
Q1 23 HIGHLIGHTS

- Q1 23 revenues ended at NOK 3,664 million, an increase of NOK 842 compared to NOK 2,822 million in Q1 22.
- Q1 23 revenue growth of 29.8 % compared to Q1 22, and 12.4 % compared to Q4 22.
- Q1 23 EBITA of NOK 89 million was down -43.6 % compared to Q1 22 of NOK 158 million driven by seasonal changes, organic growth and increased energy and personnel cost.
- On 19 January 2023, Norlandia Health & Care AS successfully completed a subsequent issue of NOK 522 million in the company's outstanding bond loans. The net proceeds were utilized to partly finance the acquisition of Frösunda, including its parent company Brado AB.

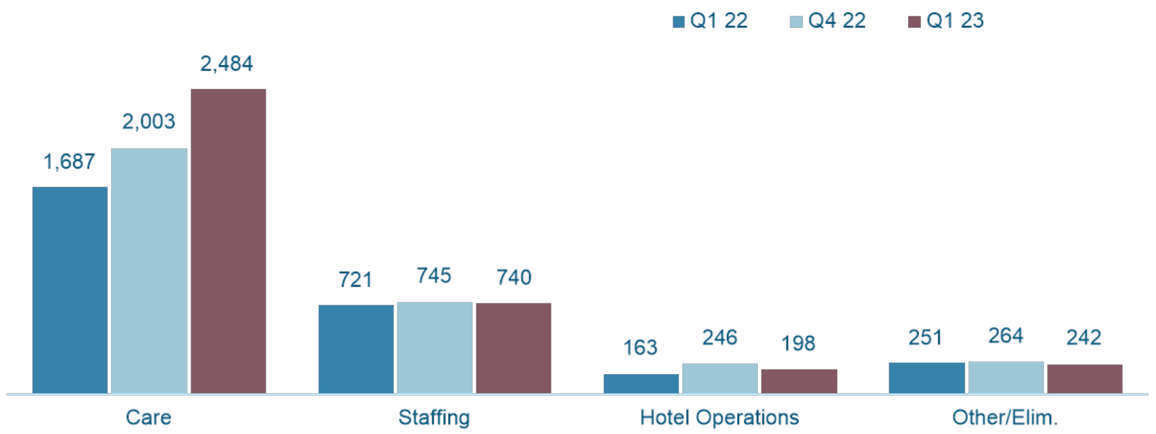
Revenue Per Quarter (MNOK)



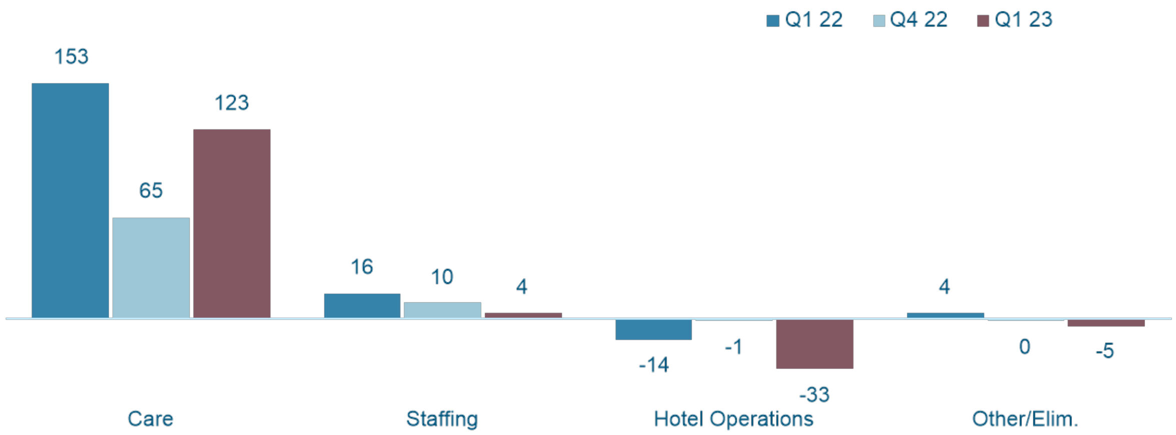
Segment Distribution Q1 23 (%)



Revenue Per Segment (MNOK)



EBITA Per Segment (MNOK)

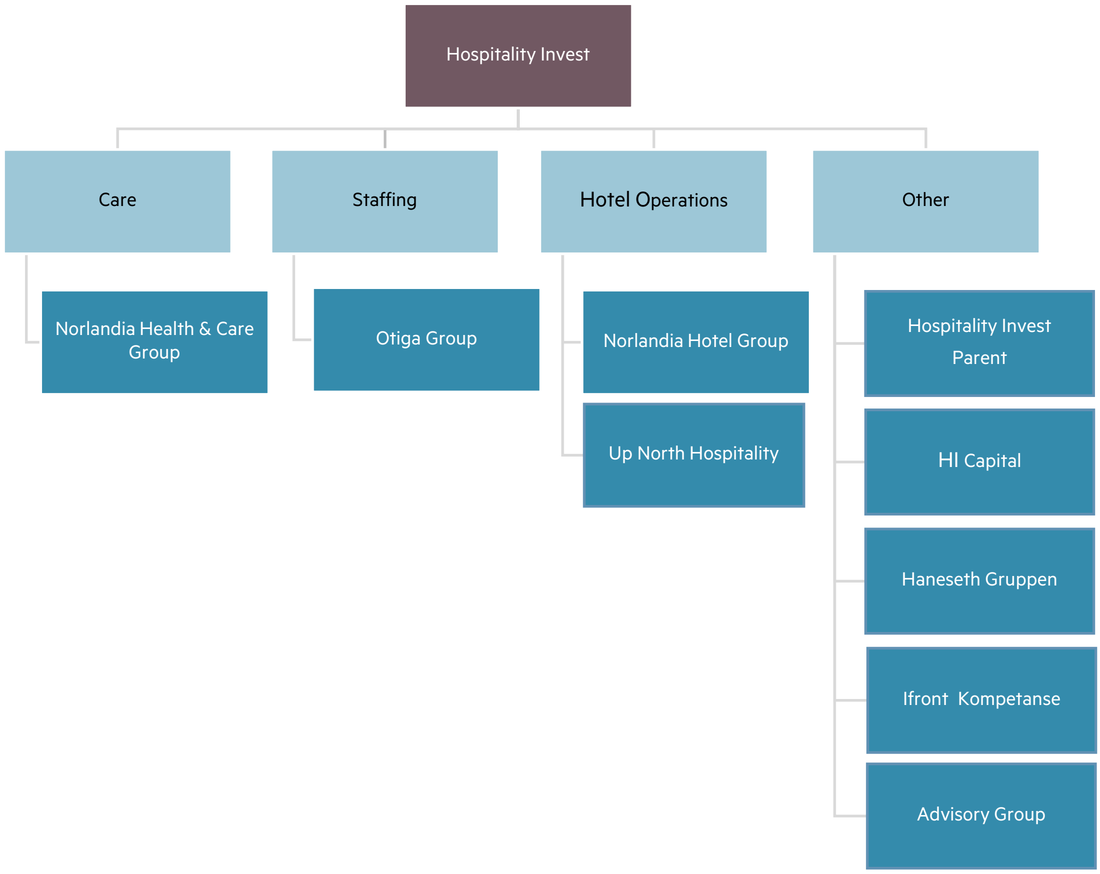


HOSPITALITY INVEST

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

NHC acquisition of Brado AB

On 18 November 2022, NHC announced a potential business combination between NHC and Brado AB. NHC has for a long period been considering a potential business combination with Frösunda and its parent company Brado AB. Such a transaction would be in line with NHC's previously communicated plan to combine the two groups to create a leading Nordic private health and care provider.
To finance such transaction, NHC arranged a series of fixed income investor meetings commencing 13 January 2023 to explore the possibility of issuing a SEK and/or NOK bond issue equivalent to NOK 522 million under NHC's existing senior secured bond framework with ISINs NO0010997927 or NO0010997943. On 19 January 2023, NHC successfully placed the bond issue split between a subsequent issue of NOK 180 million in the NOK-tranche of the bond and a subsequent issue of SEK 352 million in the SEK-tranche of the bond. The net proceeds from the subsequent bond issue were utilized to partly finance the acquisition of Frösunda, including its parent company Brado AB.
The acquisition of Brado AB was in addition financed through a seller's credit and an earn-out. The seller's credit from Abros Invest AB was transferred to Hospitality Invest, of which NOK 291 million was converted to equity through a contribution in kind and NOK 97 million was settled through a sale of assets. As a result of the abovementioned transaction Abros Invest AB has become a shareholder of Hospitality Invest and the equity is strengthened correspondingly. The acquisition closed on 27 January 2023.

FINANCIALS

CONSOLIDATED INCOME STATEMENT PER 31/03/2023

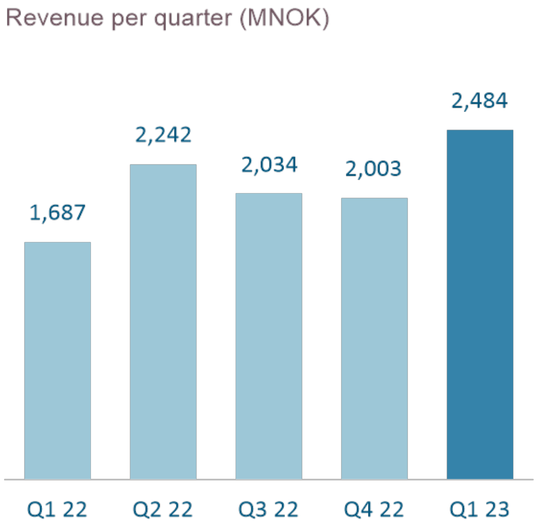
The Group reported total operating revenue of NOK 3,664 million in Q1 23 compared to NOK 3,259 million in Q4 22 and NOK 2,822 million in Q1 22. EBITA for Q1 23 amounted to NOK 89 million (2%) compared to NOK 75 million (2%) in Q4 22 and NOK 158 million (6%) in Q1 22. All segments experienced increasing revenue YoY (Year on Year) while QoQ (Quarter on Quarter) some of the segments had a slight decrease in revenue. The EBITA was reduced for several segments both QoQ and YoY due to higher costbase from organic growth and through increasing energy and interest costs. Total operating expenses for the Group in Q1 23 ended at NOK -3,328 million. Net finance in Q1 23 ended at NOK -141 million. Net finance was mainly affected by a net interest expense of NOK -149 million and by a currency effect of NOK 11 million in the quarter. Change in net finance YoY was mainly driven by a change in net non-realized currency effects of NOK -7 million related to Hospitality Invest Group's outstanding bonds, of which one is issued in SEK, creating a currency translation difference. In total, the net profit for Q1 23 ended at NOK -32 million compared to NOK 89 million in Q1 22.

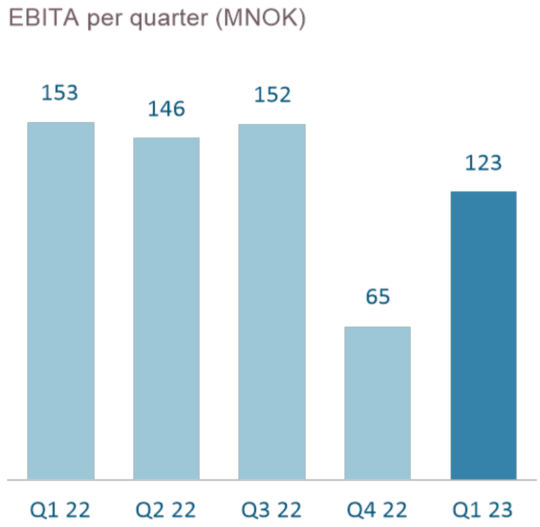
CONSOLIDATED BALANCE SHEET STATEMENT PER 31/03/2023

Total non-current assets ended at NOK 14,669 million per end of Q1 23, of which NOK 7,582 million relates to IFRS 16 and the classification of "Right-of-Use assets". Most of the new lease contracts were recognized as part of the acquisition of Brado Group. In addition, Norlandia Health & Care Group AS saw an increase in goodwill at NOK 1 255.1 million, most of which resulted from the acquisition of Brado Group which were carried over at the carrying amounts from Brado Group at the acquisition date. Total equity per end of Q1 23 increased by 14.68% and ended at NOK 1,977 million compared to NOK 1,724 million at the end of 2022. The increase is mainly due to the capital increase from Abros Invest AB in connection with the acquisition of Brado Group in Norlandia Health & Care Group AS following the predecessor accounting principle as described in the Basis for preparation section below. The acquisition of Brado AB was financed through a seller's credit from Abros Invest AB which was transferred to Hospitality Invest, converting NOK 291 million to equity through a contribution in kind. The cash position of the Group per 31/03/2023 was NOK 893 million. The Care segment has a credit facility of NOK 350 million with DNB which is temporarily drawn upon in the various divisions, as cash pooling is and will not be fully optimized towards all markets and borders at all hours. The amount drawn on the facility will generally be highest at the end of each quarter as the majority of the cash from preschools in Norway is received at the beginning of each quarter. As of 31/03/2023, NOK 102 million was drawn. Total non-current liabilities amounted to NOK 11,696 million, including NOK 7,206 million classified as "Lease liability" under IFRS 16. Total loans and borrowings amounted to NOK 4,578 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. On 19 January 2023 , Norlandia Health & Care Group AS successfully placed a subsequent bond issue equivalent to NOK 522 million under the company's existing senior secured bond framework with ISINs NO0010997927 (the "NOK-tranche") and NO0010997943 (the "SEK-tranche").

BUSINESS SEGMENTS

Care





Revenue for the Care segment ended at NOK 2,484 million in Q1 23 compared to NOK 2,003 million in Q4 22 and NOK 1,687 million in Q1 22. EBITA for Q1 23 ended at NOK 123 million (5.0 %) compared to NOK 65 million (3.3 %) in Q4 22 and NOK 153 million (9.1 %) in Q1 22.

Revenue from the Preschool operations increased both QoQ and YoY mainly reflected by price adjustments in Norway, increased occupancy within the international segment, and the acquisition of Kunnskapsförskolan in March 2022. Profitability is up YoY when adjusting Q1 22 for a NOK 60 million positive pension effect. The Swedish operations generated material growth in costs during the quarter following multiple new openings in 2022 but are progressing well and should provide a meaningful contribution within 12-18 months. There are also multiple other committed new openings in 2023 that will strengthen the presence in Sweden. In Norway, the grant levels where extraordinary low in 2022 as these were based on municipal costs in 2020 and significantly reduced by Covid-19. The grants increased materially in 2023, although not fully accounting for recent cost inflation, electricity prices, and an expected high wage settlement. Over time, this should be reflected in the income level. The international operations are experiencing challenges related to cost inflation and staff shortage, which impact the current profitability level. Adjusted for these temporary effects, the international operations are progressing well with increased occupancy in all markets.

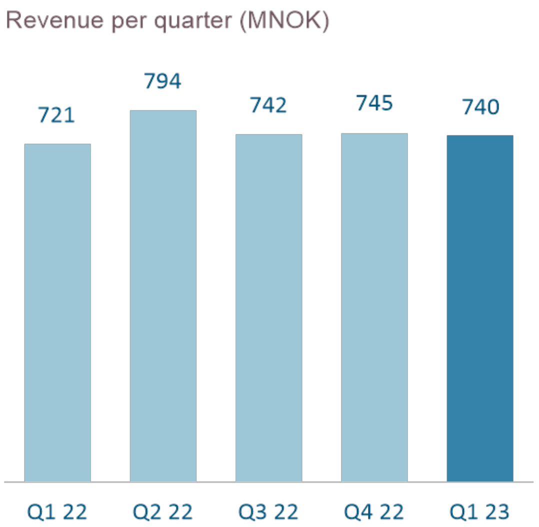
The Elderly Care services revenue increased QoQ explained by the Frösunda acquisition and start-up of several new own management units in Sweden and Finland in Q4 22. Profitability is down YoY explained by cost inflation, high sick leave and material growth costs related to start-up of several new own management units the prior quarter with a total capacity of around 400 places. The overall occupancy increased YoY adjusted for recent openings, slightly offsetting the negative effects experienced. Occupancy levels are still lower than before the pandemic. The Finnish operations are progressing well and delivered solid top-line growth. Even though Norway is politically challenging, the Elderly Care services won the Oksenøya nursing home tender in 2022 on an 8+1+1-year contract. Oksenøya will have a capacity to house more than 150 users. It is expected that both the capacity and quality innovations provided by the private welfare companies will be required, in order to meet the growing demand for Elderly Care services.

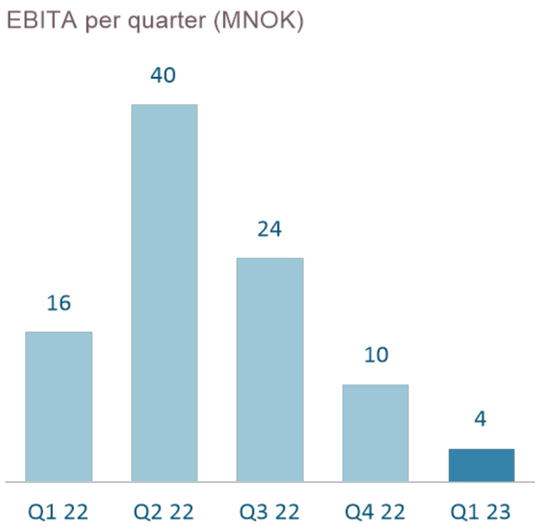
Revenue from the Integration services is down QoQ explained by reduced activity within acute reception centers in Norway. The continued strong financial performance is related to solid operations within both Accommodation Services and Interpretation Services. Following the outbreak of the war in Ukraine, Accommodation Services in Norway opened more than 40 acute refugee centers with capacity to house over 10,000 refugees. Having recently won multiple tenders, Hero currently operates 28 long-term ordinary reception centers in Norway, that over time will replace the acute and temporary capacity opened in 2022. UDI has signaled continued high activity in 2023, both from Ukraine and other countries, and estimates a total number of 40,000 refugees in 2023, in line with the 2022 figures. 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 underpins the resilient cost base.

Individual and Family revenues increased significantly QoQ and YoY following the acquisition of Frösunda and organic growth within the Norwegian operations. The core operations in Norway, Child Care and Respite Care services, delivered healthy profitability despite increased electricity costs and staff shortage related to high sick leave. The acquisition of Frösunda is regarded a perfect fit combining highly complementary competencies across the organizations in Norway and Sweden, with unrealized synergy potential.
Aberia has grown quickly to now reach an annual turnover of more than NOK 1,000 million. In January 2023, the personal assistance market in Sweden experienced a shock related to Humana Assistans AB having its license to operate revoked, after a two-year inspection performed by the Swedish Health and Social Care Inspectorate (IVO). Aberia's personal assistance was subject to inspection by IVO in 2022, which resulted in a retained license for Aberia and thus continued operations. Frösunda and Aberia have performed extensive work to improve internal processes and routines to mitigate risks and strengthen quality, and currently, there are no ongoing inspections of the operations.

The consequences of Humana's revoked license are substantial, affecting 2,000 disabled and 11,000 employees. If required, the Swedish operations have both the capacity and willingness to quickly receive and help new customers in need of assistance. In Sweden, a large majority of those entitled to personal assistance choose private providers and NHC considers the recent development as highly regrettable, considering the negative impact it has on many disabled people in need of security and stability in life.

Staffing





Revenue in the Staffing segment ended at NOK 740 million in Q1 23 compared to NOK 745 million in Q4 22 and NOK 721 million in Q1 22, representing an increase of 2.6% YoY, largely due to increase in the Swedish and Danish operations. There is still a strong demand in the overall market.

EBITA for the Staffing segment ended at NOK 4 million (0.5 %) in Q1 23 compared to NOK 10 million (1.4 %) in Q4 22 and NOK 16 million (2.2 %) in Q1 22. The EBITA decreased both QoQ and YoY. The decrease in EBITA was expected in all major business segments. The Group's focus going forward will be on increasing profitability by lowering the cost level within the Group.

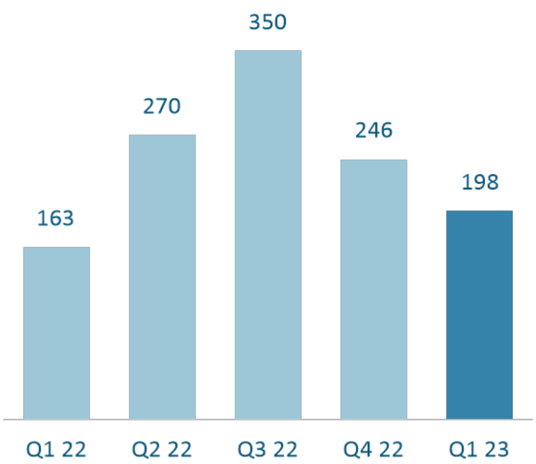
Revenue from the Norwegian operations decreased slightly both QoQ and YoY. The decrease compared to same quarter last year is mainly related to the offshore business area. Other business areas are experiencing growth compared to previous periods but are not large enough to offset the decrease in the offshore business area. Permanent recruitment revenues increased slightly compared to both previous quarter and same quarter last year. The offshore business area is now entering into high season, and a positive development for Q2 23 is expected. The EBITA level has decreased both QoQ and YoY. The decrease in revenue contributed to the decrease in EBITA. The Norwegian operations also experienced an increase in sick leave for Q1 23. This in combination with an increase in employee cost contributed to a decrease in EBITA margin.

The increase in revenue continues in the Swedish operations and is mainly related to a few large customers. The market situation in Sweden is good and the operation continues to take advantage of this. The EBITA is at the same level as in the previous quarter and down compared to the same quarter last year. The reduction compared to last year is due to increased costs from organization growth in order to meet the increased demand. The margin is at the same level as previous quarter which indicates that the cost level has stabilized.

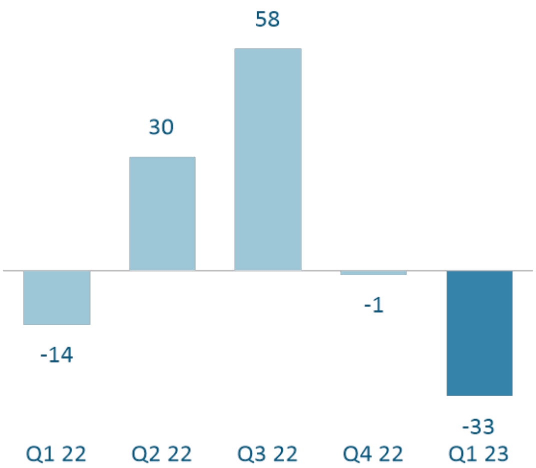
Revenue from the Finnish operations decreased QoQ and YoY. The Finnish segment faces losses from challenges related to gaining market shares in the construction business area and the increase in other business areas are not able to make up for this loss. The EBITA has increased compared to the previous quarter and the same quarter last year, exhibiting a positive trend.

Hotel Operations

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)

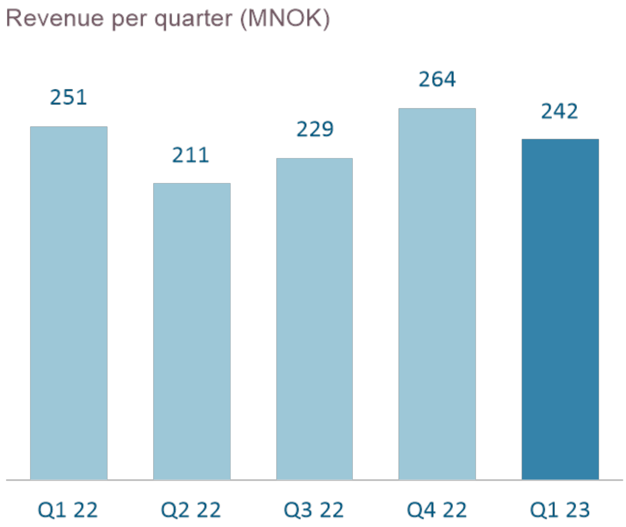


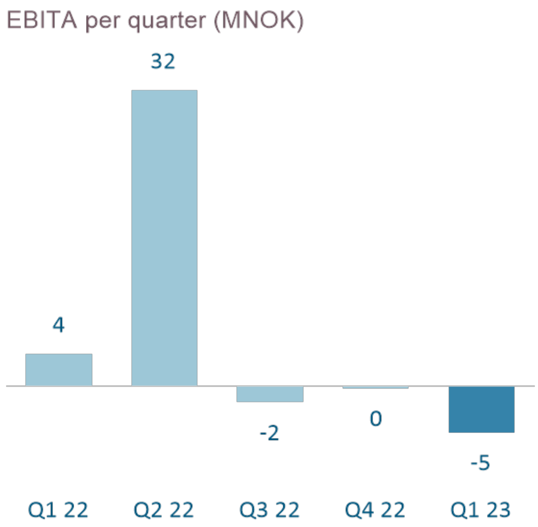
The Hotel Operations segment delivered revenue of NOK 198 million in Q1 23 compared to NOK 246 million in Q4 22 and NOK 163 million in Q1 22. In Q1 23 the Hotel Operations segment delivered an increase in revenue YoY but declined QoQ. In Q1 23, occupancy rates were 11 percent higher than Q1 22. The topline is also positively affected by the opening of a new hotel at Økern in Oslo, offset by lower activity at Oslo Airport Hotel after phasing out the contracts with municipalities and the government related to the pandemic. Revenues are also positively affected by a general uplift in sale of food & beverage, higher conference activity and higher price per room.

EBITA in Q1 23 for the segment was NOK -33 million (-16.5 %) compared to NOK -1 million (-0.4 %) in Q4 22 and NOK -14 million (-8.6 %) in Q1 22. The reduction in profitability compared to Q1 22 can primarily be explained by lower profitability on Oslo Airport Hotel and the opening of the new hotel at Økern. The Swedish part of the portfolio improved its EBITA compared to the corresponding quarter last year.

The Hotel Operations segment currently consists of 3,547 rooms in 21 hotels in Norway and 10 hotels in Sweden. The hotels are spread over 26 different destinations. At the end of the quarter there were 220 rooms in the pipeline.

Other





Revenues in the Other segment ended at NOK 242 million in Q1 23 compared to NOK 264 million in Q4 22 and NOK 251 million in Q1 22. Revenues and EBITA is slightly down due to seasonal changes. For Q1 23, Haneseth Gruppen AS had revenues of NOK 175 million.

EBITA for Q1 23 was NOK -5 million compared to NOK -0 million in Q4 22 and NOK 4 million in Q1 22. The negative EBITA is mainly driven by corporate costs in Hospitality Invest. Haneseth Gruppen AS and Ifront Kompetanse AS are contributing well, reducing the negative effect.

The associated investments included in the Other segment include e.g. AAP Group AS (50.0%), Winn Hotel Group AB (40.3%), Pioneer Property Group ASA (34.9%), Caracap (33.9%), Voss Resort AS (30.6%), Elywhere (33.0%) 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 (6.0%).

OUTLOOK AND MAIN RISK FACTORS

The Integration services operations, in Norlandia Health & Care Group, as Norway's largest operator of immigration and refugee centers, have been central in the government's efforts to provide accommodation for Ukrainian refugees. UDI estimates a total number of 40,000 refugees in 2023, which is in line with the 2022 figures and there are several ongoing and planned tenders to prepare for a continued high number of refugees. On the back of these estimates, it is anticipated that Hero's activity level will normalize at a significant higher level than prior to the war in Ukraine.

Rising inflation and increasing interest rates across the countries the Group is operating within may have a negative effect on the Group's future profitability. Increased salaries, electricity prices and general costs will have a negative effect on this year's results, as the current price level in most contracts does not take the current cost level into account. The Group has so far managed to deliver solid margins despite increased costs. It is further expected that most of the cost increases experienced in 2022 will be reflected in future agreements through renegotiations or index clauses. In line with the overall market, the Group is experiencing challenges related to staff shortages. This is being addressed through revision of recruiting and retention practices.

The Hotel Operations is affected by restraint and reduced purchasing power reflected in somewhat lower bookings for the first quarter of 2023. In Norway, a new legislation will be introduced in 2023 with restrictions on hired labor. This will create challenges as it limits the hiring opportunities for hotels with particularly large seasonal variations. In order to adapt to the fluctuations in these months, staffing agencies must occasionally be quickly staffed up, of which staffing agencies are an important contributor to this rather than recruiting employees for short periods of time. It is conceivable that the new legislation will create additional costs in the form of more administration, as well as possible lost income if it proves too challenging to staff up requested events. On the positive side, forecasts for energy prices have fallen for 2023. Higher room prices are reducing the effect of higher inflation on domestic costs. More international travellers and high activity in many of the destinations are leading to a stabilised demand for hotel services. The weak currency may lead to additional demand from the international market, but it may as well affect the domestic market to find Norway and Sweden as attractive destinations for short holidays during the summer months. Some of the destinations have significantly increased hotel capacity recent years. These include Bodø, Helsingborg and Jönköping. In these markets, there has been a general negative trend as demand has not absorbed the additional capacity yet. On the other hand, there is strong growth in other markets such as Oslo and Stavanger. Overall, it looks like 2023 will follow 2022 as a good year for the Hotel Operations. During the second quarter, renovations will be completed at First Hotel Jönköping. A renovation of 110 rooms, corridors, new reception combined with bar, and new breakfast room and kitchen adapted to a new food and beverage concept has been carried out. At Tanum Strand in Sweden, renovations are planned. A total of 122 cabins and 70 hotel rooms will be renovated, as well as a new spa bathroom, new common areas and sauna expansion. After the summer, the outdoor seating area will also be renovated.

The Staffing segment is considered well positioned to continue the favorable development in the coming quarters, further capitalizing on expected strong market conditions. The general market conditions are changing, increasing interests, cost related to power and a general inflation. The situation will most likely also affect the staffing market going forward, but the effect is still limited and uncertain. The situation is monitored, and measures will be implemented if necessary. There is a great deal of uncertainty related to business and macroeconomic conditions in the next quarters. These external conditions might impact the economic situations of the customers and then affect the Staffing segments financial performance. With regards to the political discussions in Norway, the proposed law to significantly reduce the possibility to hire temporary workers is approved and will have effect from April 1st, 2023, with transition period until July 1st, 2023. The effect on the Norwegian operations are uncertain as there are some exceptions in the proposed law that will be applicable for many of the customers in the segment. There are also ongoing initiatives to investigate the potential impact on the different business areas and solutions to help the customers.

On February 2, the Health Personnel Commission in Norway presented their report, "Time for Action. Personnel in a Sustainable Health and Care Service," to the Minister of Health and Care Services. The Commission provided a comprehensive and knowledge-based assessment of the need for professionals and competencies in health and care services up to 2040. The Commission also proposed measures to educate, recruit, and retain qualified professionals for health and care services nationwide, addressing both short and long-term challenges. The minister stated that action is needed to ensure safety for both the generations that built the welfare state and future generations. This includes employing more skilled workers, increasing full-time work, and improving collaboration between community health services and hospitals to maintain world-class sustainable health services. The Group see the findings of the report as a confirmation that a multitude of actors need to work innovatively to solve the challenges of society.

It is also worth noting that the government of Sweden in April launched a commission to map obstacles and opportunities to strengthen productivity in the economy. In the announcement, it was stated that good productivity growth lays the foundation for the economy to grow and real wages to increase and that ever since the financial crisis in 2008, Sweden's productivity growth has been low in a historical perspective. They specifically mention the need for productivity growth in the welfare sector. Again, the Group welcome the expectations expressed by the Swedish government.

Parliamentary elections were held in Finland on April 2. The opposition did well in the election and a new government is expected to be formed. It is expected that the new government will have a more favourable view of private enterprise in the welfare sector.
Political risk is present as major shifts may have a significant impact in the way services are delivered. In Norway, these risks are clearly most evident within the Care segment, where the new Government has stated that a public inquiry will be appointed, to investigate non-profit operating models within private welfare. These risks are also present within the Staffing segment. Regarding political conditions, the governing parties' law proposal to significantly reduce the possibility to hire temporary workers is expected to be approved as proposed. This will affect the Norwegian segment but there are uncertainties as to what extent. There are some exceptions in the proposed law that will be applicable for many of the customers in the Staffing segment, and there are ongoing initiatives to investigate the potential impact on the different business areas.

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, 23 May 2023

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen	Roger Adolfsen	Johnny R. Sundal
Chairman of the Board	Member of the Board	Member of the Board

FOR MORE INFORMATION:

Roger Adolfsen
CEO
roger@norlandia.no

Kristoffer Lorck
CFO
kristoffer.lorck@adolfsengroup.no

TICKER CODES:

Hospitality Invest AS completed a new senior unsecured bond issue of NOK 700 million, with 3 years tenor. An application will be made for the bonds to be listed on the Oslo Stock Exchange during 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 23 May 2023.

GROUP FINANCIAL STATEMENT

CONDENSED CONSOLIDATED INCOME STATEMENT

(All figures in NOK million)

	Notes	Q1 23	YTD 23	Q1 22	YTD 22	FY 22
Operating income						
Revenue		3,659.4	3,659.4	2,796.6	2,796.6	12,919.2
Other operating income		4.8	4.8	25.8	25.8	33.7
Total operating income	4	**3,664.2**	**3,664.2**	**2,822.4**	**2,822.4**	**12,952.9**
Operating expenses						
Raw materials and consumables used		242.0	242.0	189.6	189.6	868.8
Personnel expenses		2,552.6	2,552.6	1,920.7	1,920.7	8,371.1
Other operating expenses		533.1	533.1	381.2	381.2	2,228.4
EBITDA	**4**	**336.4**	**336.4**	**330.8**	**330.8**	**1,484.6**
Depreciation		247.3	247.3	172.7	172.7	772.5
EBITA	4	**89.2**	**89.2**	**158.1**	**158.1**	**712.2**
Amortization	5	14.2	14.2	16.2	16.2	66.2
EBIT		**75.0**	**75.0**	**141.9**	**141.9**	**645.9**
Finance						
Net finance	6	-140.7	-140.7	-57.5	-57.5	-216.3
Share of post-tax profits of associates		31.8	31.8	-	-	9.9
Profit before income tax		**-34.0**	**-34.0**	**84.4**	**84.4**	**439.6**
Income tax	8	1.8	1.8	4.6	4.6	-105.1
Profit\loss (-) for the period		**-32.2**	**-32.2**	**89.0**	**89.0**	**334.5**
Proti/loss for the period attributable to:						
Equity holders of the parent company		-30.0	-30.0	77.2	77.2	287.3
Non-controlling interests		-2.2	-2.2	11.8	11.8	47.2

CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(All figures in NOK million)

	Notes	Q1 23	YTD 23	Q1 22	YTD 22	FY 22
Other comprehensive income						
Profit/loss (-) for the period		-32.2	-32.2	89.0	89.0	334.5
Changes in pension liabilities		-	-	-	-	-10.0
Deferred tax related to these items		-	-	-	-	2.2
Items that will not be reclassified to profit and loss		**-32.2**	**-32.2**	**89.0**	**89.0**	**326.7**
Currency translation differences		33.7	33.7	-16.5	-16.5	23.0
Items that are or may be subsequently reclassified to profit and loss		**33.7**	**33.7**	**-16.5**	**-16.5**	**15.2**
Total comprehensive income for the period		**1.5**	**1.5**	**72.4**	**72.4**	**349.7**
Attributable to						
Equity holders of the parent company		-3.2	-3.2	65.0	65.0	301.9
Non-controlling interest		4.7	4.7	7.5	7.5	47.8
Total comprehensive income for the period		**1.5**	**1.5**	**72.4**	**72.4**	**349.7**

CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(All figures in NOK million)

ASSETS

	Notes	31/03/2023	31/12/2022
Non-current assets			
Deferred tax assets		272.4	180.9
Intangible assets	9	4,472.3	3,271.4
Property, plant & equipment		1,103.6	1,036.3
Right-of-use assets		7,582.0	6,278.3
Investment in associated companies		702.7	720.4
Other investments		218.8	220.2
Other long term receivables		317.2	398.5
Total non-current assets		**14,669.0**	**12,105.9**
Current assets			
Inventories		77.3	73.9
Accounts receivables		1,212.9	977.7
Other short-term receivables		882.6	648.5
Cash and cash equivalents		893.3	786.1
Total current assets		**3,066.1**	**2,486.2**
Total assets		**17,735.1**	**14,592.0**

CONDENSED CONSOLIDATED BALANCE SHEET STATEMENT

(All figures in NOK million)

EQUITY AND LIABILITIES

	Notes	31/03/2023	31/12/2022
Equity			
Share capital		24.3	20.4
Own shares		-0.1	-0.1
Other equity		1,723.7	1,478.8
Equity attributable to owners of the parent		**1,747.9**	**1,499.2**
Non-controlling interest		228.8	224.5
Total equity		**1,976.7**	**1,723.7**
Liabilities			
Pension liabilities		13.6	6.3
Deferred tax liability		291.2	212.4
Loans and borrowings	10	4,173.4	3,541.2
Lease liability		7,205.9	5,992.1
Other non-current liabilities		11.7	16.9
Total non-current liabilities		**11,695.8**	**9,768.9**
Accounts payable		415.9	397.8
Loans and borrowings	10	404.2	138.7
Lease liability		844.7	673.6
Taxes payable		18.5	43.6
Other current liabilities		2,379.3	1,845.7
Total current liabilities		**4,062.6**	**3,099.4**
Total liabilities		**15,758.4**	**12,868.3**
Total equity and liabilities		**17,735.1**	**14,592.0**

CONDENSED CONSOLIDATED STATEMENT OF CASHFLOWS

(All figures in NOK million)

	Q1 23	YTD 23	Q1 22	FY 22
Cash flow from operating activities				
EBITDA	336.4	336.4	330.8	1,484.6
Taxes paid	-51.3	-51.3	-12.0	25.5
Net from sale of assets	-4.2	-4.2	-25.1	-33.7
Change in net working capital	100.5	100.5	-92.6	155.6
Changes to other operating assets and liabilities			-	18.5
Net cash flow from operating activities	**381.4**	**381.4**	**201.1**	**1,650.6**
Cash flow from investing activities				
Purchase property, plant and equipment	-67.3	-67.3	-4.3	-293.3
Investment in shares in subsidiaries	-	-	-33.2	-171.3
Proceeds from sale of assets	-	-	-	339.5
Investment in shares in other companies	6.0	6.0	-27.0	-185.4
Interest received	9.5	9.5	2.8	27.2
Loans to associated companies	73.5	73.5	-43.5	-225.1
Financial receivables	7.8	7.8	4.1	-
Net cash flow from investing activities	**29.5**	**29.5**	**-101.1**	**-508.5**
Cash flow from financing activities				
Proceeds from long-term borrowings from finance institutions	766.8	766.8	288.0	1,228.9
Repayment of interest-bearing debt	-784.9	-784.9	-297.1	-1,186.7
Lease liability - amortization and interest	-196.5	-196.5	-151.0	-644.4
Interest paid	-99.0	-99.0	-78.7	-468.8
Distribution to non-controlling interest	-	-	-	-40.1
Net cash flow from financing activities	**-313.6**	**-313.6**	**-238.8**	**-1,111.0**
Changes in cash and cash equivalents				
Net change in cash and cash equivalents	97.4	97.4	-138.8	31.1
Effects of changes in exchange rates on cash	9.8	9.8	42.6	-7.4
Cash and cash equivalents at the beginning of period	786.1	786.1	762.3	762.3
Cash and cash equivalents at end of period	**893.3**	**893.3**	**666.1**	**786.1**

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
Balance as of 31-December-21		**20.4**	**-0.1**	**171.9**	**1,041.4**	**33.7**	**1,267.3**	**185.9**	**1,453.2**
Profit					287.3		287.3	41.0	328.3
Other comprehensive Income					-8.4	23.0	14.6	6.8	21.4
Total comprehensive Income		**-**	**-**	**-**	**278.9**	**23.0**	**301.9**	**47.8**	**349.7**
Distribution to non-controlling interest							-	-40.1	-40.1
Effect from acquisition and sale of subsidiary					-26.0	-44.0	-70.0	30.9	-39.1
Total contributions and distributions		-	-	-	-26.0	-44.0	-70.0	-9.2	-79.2
Balance as of 31-December-22		20.4	-0.1	171.9	1,294.2	12.7	1,499.2	224.5	1,723.7
Balance as of 1-January-23		**20.4**	**-0.1**	**171.9**	**1,294.2**	**12.7**	**1,499.2**	**224.5**	**1,723.7**
Profit					-30.0		-30.0	-2.2	-32.2
Other comprehensive Income						26.8	26.8	6.9	33.7
Total comprehensive Income		**-**	**-**	**-**	**-30.0**	**26.8**	**-3.2**	**4.7**	**1.5**
Dividend							-	-9.2	-9.2
Capital increase		4		296.4			300.3		300.3
Effect from acquisition and sale of subsidiary					-73.7	25.4	-48.3	8.7	-39.6
Total contributions and distributions		**3.9**	**-**	**296.4**	**-73.7**	**25.4**	**251.9**	**-0.5**	**251.5**
Balance as of 31-March-23		**24.3**	**-0.1**	**468.3**	**1,190.6**	**64.8**	**1,747.9**	**228.8**	**1,976.7**

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. 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 accounting. The principles of predecessor accounting 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 accounting. 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.

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 23**	**Q4 22**	**YTD 23**	**Q1 22**	**Q4 21**	**YTD 22**
Revenue by segment						
Care	2,484.4	2,003.5	2,484.4	1,687.3	1,639.9	1,687.3
Staffing	739.6	745.1	739.6	721.0	756.6	721.0
Hotel Operations	197.8	246.2	197.8	162.9	209.0	162.9
Other	242.3	264.4	242.3	251.2	109.4	251.2
Total	**3,664.2**	**3,259.2**	**3,664.2**	**2,822.4**	**2,714.9**	**2,822.4**

NOK million	**Q1 23**	**Q4 22**	**YTD 23**	**Q1 22**	**Q4 21**	**YTD 22**
EBITDA by segment						
Care	321.5	241.4	321.5	286.4	219.4	286.4
Staffing	9.7	18.9	9.7	20.6	32.7	20.6
Hotel Operations	3.2	38.7	3.2	15.8	54.9	15.8
Other	2.0	12.6	2.0	8.0	3.4	8.0
Total	**336.4**	**311.6**	**336.4**	**330.8**	**310.4**	**330.8**

NOK million	**Q1 23**	**Q4 22**	**YTD 23**	**Q1 22**	**Q4 21**	**YTD 22**
EBITDA by segment (excl. IFRS 16)						
Care	111.6	61.4	111.6	131.6	60.7	131.6
Staffing	4.4	11.9	4.4	17.3	27.8	17.3
Hotel Operations	-32.1	-2.6	-32.3	-14.9	16.2	-14.9
Other	-3.8	1.6	-3.7	5.1	-0.2	5.1
Total	**80.1**	**72.4**	**80.1**	**139.2**	**104.5**	**139.2**

NOK million	**Q1 23**	**Q4 22**	**YTD 23**	**Q1 22**	**Q4 21**	**YTD 22**
EBITA by segment						
Care	123.2	65.3	123.2	152.7	68.1	152.7
Staffing	3.6	10.4	3.6	16.0	26.5	16.0
Hotel Operations	-32.7	-1.1	-32.7	-14.1	18.0	-14.1
Other	-4.9	-0.0	-4.9	3.5	-3.2	3.5
Total	**89.2**	**74.6**	**89.2**	**158.1**	**109.4**	**158.1**

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 23	Q4 22	YTD 23	Q1 22	Q4 21	YTD 22
Net Finance						
Interest income	9.5	14.6	9.5	2.8	7.6	2.8
Interest expenses	-158.9	-140.6	-158.9	-119.3	-106.8	-119.3
Net realized currency effects	11.2	47.1	11.2	17.9	24.5	17.9
Other finance income	7.0	37.2	7.0	44.7	44.1	44.7
Other finance expenses	-9.6	-13.4	-9.6	-3.6	7.0	-3.6
Total	**-140.7**	**-55.1**	**-140.7**	**-57.5**	**-23.6**	**-57.5**

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 4,472 million at 31/03/2023, compared to NOK 3,271 million at 31/12/2022. 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. As further described in note 11, the NOK 850 million loan in Hospitality Invest was called 6 October 2022 and replaced during Q4 22. For more information, please visit www.euronext.com.

Bond Loans	Maturity	Currency	Amount (million)
Hospitality Invest AS	10/2025	NOK	700
Norlandia Health & Care Group AS	05/2025	NOK	950
Norlandia Health & Care Group AS	05/2025	SEK	750

11. EVENTS AFTER BALANCE SHEET DATE

No significant events after balance sheet date

Oslo, 23 May 2023

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen	Roger Adolfsen	Johnny R. Sundal
Chairman of the Board	Member of the Board	Member of the Board

FINANCIAL STATEMENT FOR THE PARENT COMPANY

INCOME STATEMENT

(Amounts in NOK million)

	Note	Q1 23	YTD 23	Q1 22	FY 22
Operating income					
Revenue		0.0	0.0	-	2.6
Other operating income	3	0.4	0.4	3.0	11.9
Total operating income		**0.4**	**0.4**	**3.0**	**14.5**
Operating expenses					
Personnel expenses		-4.8	-4.8	-4.7	-14.1
Other operating expenses		-2.9	-2.9	-2.6	-25.1
EBITDA		**-7.3**	**-7.3**	**-4.4**	**-24.6**
Depreciation		-0.2	-0.2	-0.2	-0.8
Operating profit (EBIT)		**-7.5**	**-7.5**	**-4.6**	**-25.4**
Finance					
Finance income	1	0.2	0.2	0.3	236.2
Finance costs		-17.6	-17.6	-29.7	-63.7
Profit before income tax		**-24.9**	**-24.9**	**-34.0**	**147.1**
Income tax		-	-	-	-21.2
Profit for the period		**-24.9**	**-24.9**	**-34.0**	**125.9**

BALANCE SHEET STATEMENT

(Amounts in NOK million)

ASSETS

	Note	31/03/2023	31/12/2022
Non-current assets			
Deferred tax asset		46.6	46.6
Machinery and equipment		4.5	3.1
Investments in subsidiaries		1,824.3	1,533.1
Investment in associated companies		179.2	177.7
Loans to group companies		-	-
Investment in shares		23.5	20.5
Other receivables		19.5	31.7
Total non-current assets		**2,097.6**	**1,812.8**
Current assets			
Accounts receivables		2.1	6.1
Group receivables	2	163.3	167.0
Other receivables		3.0	3.1
Cash and cash equivalents		57.9	78.6
Total current assets		**226.2**	**254.8**
Total assets		**2,323.8**	**2,067.5**

BALANCE SHEET STATEMENT

(Amounts in NOK million)

EQUITY AND LIABILITIES

	Note	31/03/2023	31/12/2022
Equity			
Share capital		24.3	20.4
Own shares		(0.1)	(0.1)
Share premium reserve		468.3	171.9
Other equity		960.6	985.5
Total equity		**1,453.1**	**1,177.7**
Liabilities			
Non-current liabilities			
Bonds		700.0	700.0
Liabilities to financial institutions		3.7	3.9
Total non-current liabilities		**703.7**	**703.9**
Current liabilities			
Trade creditors		0.5	1.8
Bonds		-	17.3
Other short-term liabilities		166.5	166.8
Total current liabilities		**167.0**	**185.9**
Total liabilities		**870.7**	**889.8**
Total equity and liabilities		**2,323.8**	**2,067.5**

NOTES

1. FINANCE INCOME

Finance Income comprises of dividend from other investments and group contributions received.

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

Group receivables is NOK 5,3 million in short-term receivable from other group companies and 6.7 is group contribution.

3. REVENUES

Revenue consists of management fees to other Group companies and invoicing of common cost.

FINANCIAL COVENANTS (Unaudited)

(Amounts in NOK thousand)

ASSETS

Status	Q1 23	Q4 22	Q3 22	Q2 22	Q1 22
CASH AND CASH EQUIVALENTS > MNOK 30					
Hospitality Invest *	57.9	78.6	53.1	52.9	27.6
Total cash and cash equivalents	**57.9**	**78.6**	**53.1**	**52.9**	**27.6**
BOOK EQUITY > MNOK 550					
Equity	1,453.1	1,177.7	1,165.8	1,128.2	1,120.6
Book Equity	**1,453.1**	**1,177.7**	**1,165.8**	**1,128.2**	**1,120.6**

* Financial Covenants pre Q3 22; Cash and cash equivalents > MNOK 20, Book equity > MNOK 450

GROUP WEB PAGES

PARENT & SUBSIDIARIES

Hospitality Invest AS
www.hospitalityinvest.no

Otiga Group AS
www.otigagroup.com

Norlandia Heath & Care Group AS
www.nhcgroup.no

Norlandia Hotel Group AS
www.norlandiahotelgroup.no

Haneseth Gruppen AS
www.haneseth.no

Ifront Karriere AS
www.ifront-karriere.no

ASSOCIATED COMPANIES

Pioneer Property Group ASA
www.pioneerproperty.no

Miliarium Bolig AS
www.miliarium.no

Voss Resort
www.vossresort.no

Norefjell Ski & Spa AS
www.norefjellskiogspa.no

Elywhere AS
www.elywhere.com

Winn Hotel Group AB
www.winn.se

HOSPITALITY
INVEST

HOSPITALITY INVEST AS
RÅDHUSGATA 23
0158 OSLO
NORWAY

PHONE: +47 22 98 97 40
WEB: WWW.HOSPITALITYINVEST.NO