

Q2

INTERIM REPORT
2022



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KEY FIGURES

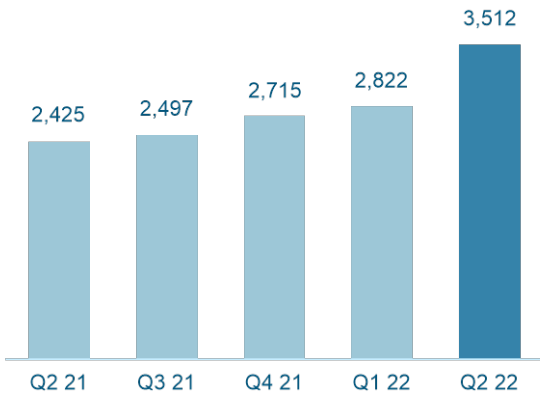
(All figures in NOK million)

	Q2 22	Q1 22	YTD 22	Q2 21	Q1 21	YTD 21
Total revenues	3,511.7	2,822.4	6,334.1	2,425.4	2,210.0	4,635.4
EBITDA	407.5	330.8	738.3	260.0	203.9	463.9
EBITDA (%)	11.6 %	11.7 %	11.7 %	10.7 %	9.2 %	10.0 %
EBITDA (excl. IFRS 16)	226.4	139.2	365.6	101.3	41.3	142.6
EBITDA (%)	6.4 %	4.9 %	5.8 %	4.2 %	1.9 %	3.1 %
EBITA	233.2	158.1	391.4	101.7	43.0	144.7
EBITA (%)	6.6 %	5.6 %	6.2 %	4.2 %	1.9 %	3.1 %
EBIT	215.7	141.9	357.5	85.2	26.3	111.5
EBIT (%)	6.1 %	5.0 %	5.6 %	3.5 %	1.2 %	2.4 %
EBT	232.3	84.4	316.7	32.6	46.2	78.9
EBT (%)	6.6 %	3.0 %	5.0 %	1.3 %	2.1 %	1.7 %

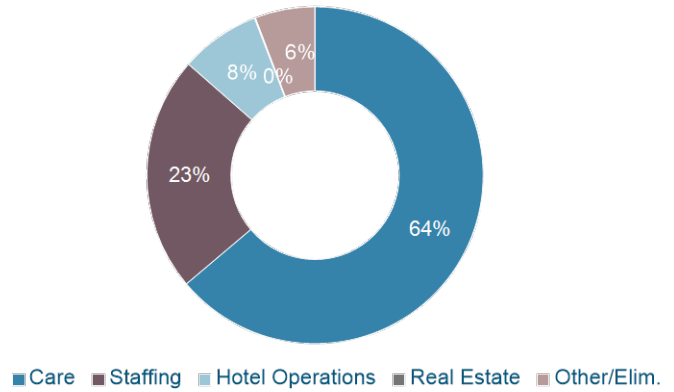
Q2 22 HIGHLIGHTS

- Q2 22 revenues ended at NOK 3,512 million, an increase of NOK 1,086 compared to NOK 2,425 million in Q2 21.
- The second quarter of 2022 was the best quarter ever for Hospitality Invest, driven by solid performance within the Care segment combined with recovery in Hotel Operations.
- Q2 22 revenue growth of 44.8 % compared to Q2 21, and 24.4 % compared to Q1 22
- Q2 22 EBITA of NOK 233 million was up 129.4 % compared to Q2 21 of NOK 102 million, driven by overall strong performance in all segments, especially within Care.
- In Q2 22, Norlandia Health & Care group and Up North Hospitality entered into a lease agreement with a 50/50 share for a 220-room hotel with Drammen Helsepark (DHP), a health park in connection with the new hospital in Drammen, scheduled to open in 2025.

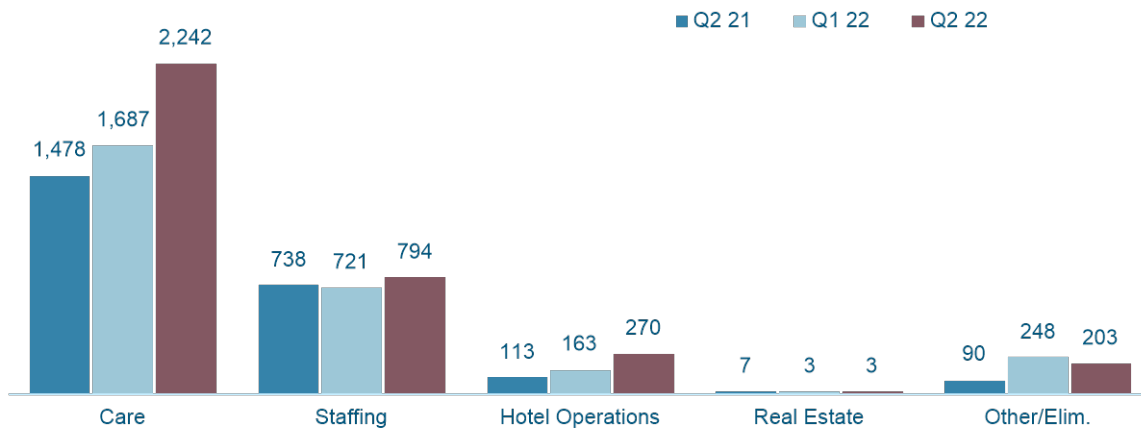
Revenue Per Quarter (MNOK)



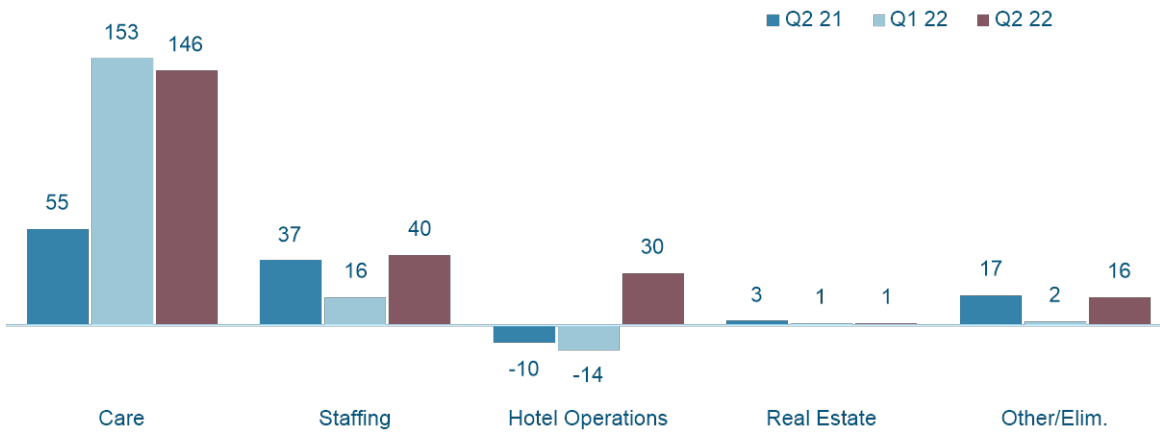
Segment Distribution Q2 22 (%)



Revenue Per Segment (MNOK)



EBITA Per Segment (MNOK)



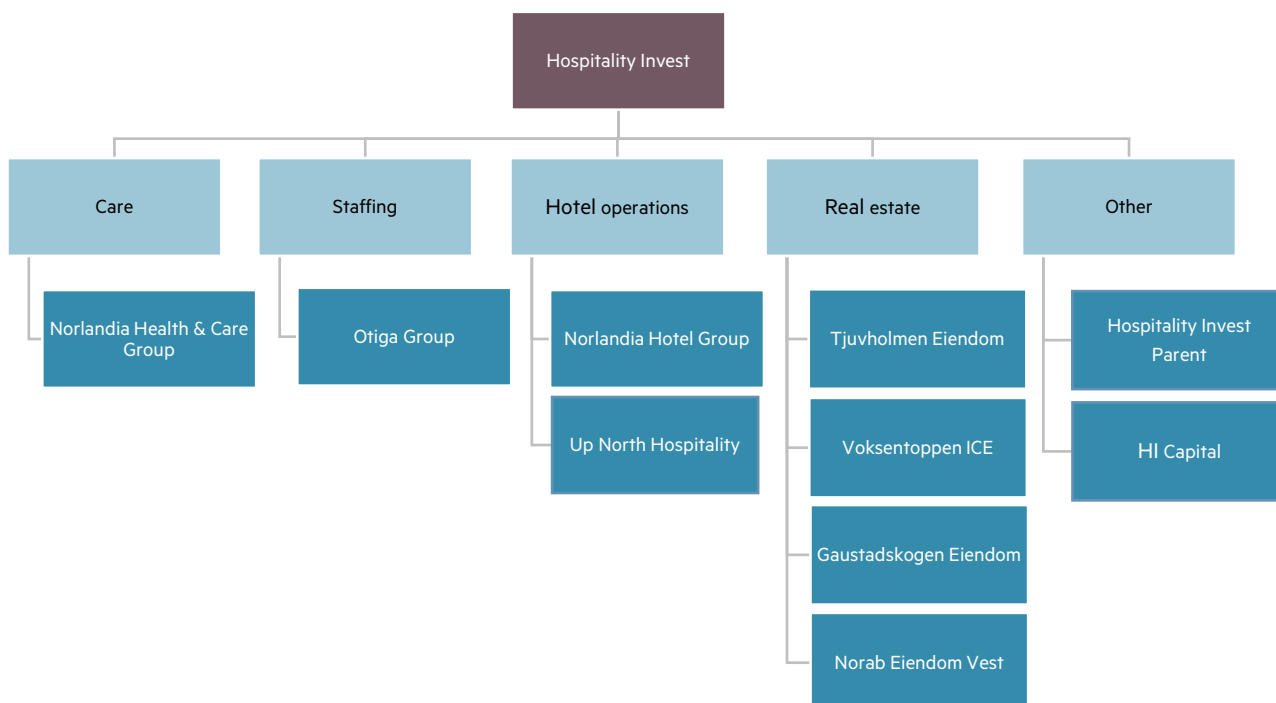
HOSPITALITY INVEST

Hospitality Invest AS is a private investment company with a diversified portfolio within five main segments: Care, Staffing, Hotel Operations, Real Estate 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 five 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.

The Other segment introduced in the illustration below consists of the Parent company Hospitality Invest and the majority of HI Capital's investments, including several diversified investments.



GROUP ACTIVITIES

Bond loan Hospitality Invest

The bond loan in Hospitality Invest AS with ISIN: NO 0010808835 is due on 31 October 2022. The preparation for refinancing is well underway and the company is considering multiple options.

FINANCIALS

CONSOLIDATED INCOME STATEMENT PER 30/06/2022 (UNAUDITED)

The Group reported total operating revenue of NOK 3,512 million in Q2 22 compared to NOK 2,822 million in Q1 22 and NOK 2,425 million in Q2 21. EBITA for Q2 22 amounted to NOK 233 million (7%) compared to NOK 158 million (6%) in Q1 22 and NOK 102 million (4%) in Q2 21. All segments except the Other segment experienced improving revenue. The EBITA development for several segments was positive both QoQ (Quarter on Quarter) and YoY (Year on Year). The Care segment had a slight reduction in EBITA QoQ, impacted by higher cost levels related to sick leave and electricity. Total operating expenses for the Group in Q2 22 ended at NOK - 3,104 million. Net finance in Q2 22 ended at NOK 4 million. Net finance was mainly affected by a net interest expense of NOK -86 million and by a currency gain of NOK 75 million in the quarter. Change in net finance YoY was mainly driven by a change in net non-realized currency effects of NOK 66 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 Q2 22 ended at NOK 209 million compared to NOK 36 million in Q2 21. Net profit YTD 22 amounts to NOK 298 million, more than NOK 40 million above net profit for the previous year as a whole.

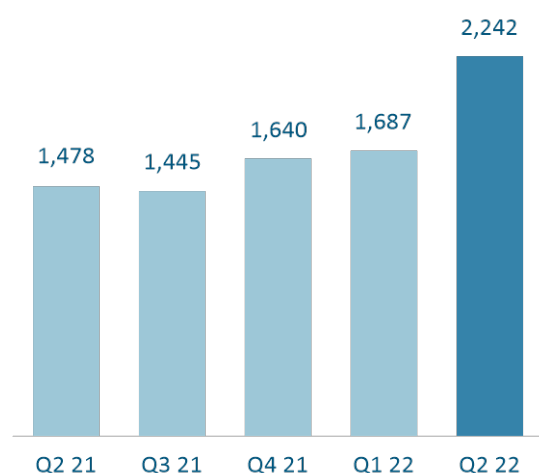
CONSOLIDATED BALANCE SHEET STATEMENT PER 30/06/2022 (UNAUDITED)

Total non-current assets ended at NOK 10,655 million per end of Q2 22, of which NOK 4,968 million relates to IFRS 16 and the classification of "Right-of-Use assets". Total equity per end of Q2 22 increased by 17.53% and ended at NOK 1,708 million compared to NOK 1,453 million at the end of Q4 21. The cash position of the Group per 30/06/2022 was NOK 942 million. The Care segment has a credit facility of NOK 350 million with Danske Bank 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 30/06/2022, NOK 106 million was drawn. Total non-current liabilities amounted to NOK 7,809 million, including NOK 4,767 million classified as "Lease liability" under IFRS 16. Total loans and borrowings amounted to NOK 3,673 million, mainly consisting of bond loans in Hospitality Invest AS and Norlandia Health & Care Group AS.

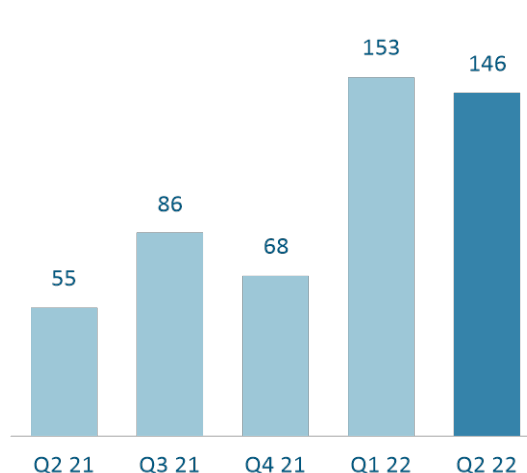
BUSINESS SEGMENTS

Care

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)



Revenue for the Care segment ended at NOK 2,242 million in Q2 22 compared to NOK 1,687 million in Q1 22 and NOK 1,478 million in Q2 21. EBITA for Q2 22 ended at NOK 146 million (6.5 %) compared to NOK 153 million (9.1 %) in Q1 22 and NOK 55 million (3.7 %) in Q2 21.

Revenue from the Preschool operations increased QoQ and ended at all-time high levels despite the current challenges in the Norwegian operations. YoY increase in revenue was impacted by the acquisition of Kunnskapsförskolan, a Swedish preschool company, completed in Q1 22 and the acquisition and consolidation of Gnist Barnehager in October 2021. Profitability is up QoQ, when adjusting for the one-off positive pension effect of NOK 60 million in Q1 22. Underlying EBITA in Q2 22 is thus in line with the all-time high quarters, despite temporary weakness in the Norwegian operations, driven by high personnel costs from sick-leave and staff shortage, in addition to high inflation related costs.

2022 will be impacted by regulatory changes for private preschools, as the grants are based on municipal costs in 2020, a year characterized by Covid support and partly closed preschools. Discussions on this topic is ongoing with the authorities. Despite the current challenges in Preschool Norway, the Preschool operations as a whole continue to deliver solid results on the back of strong performances from the international operations.

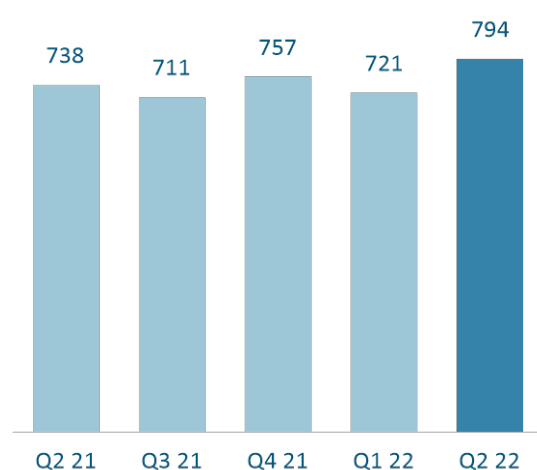
The Elderly Care services revenue increased QoQ impacted by growth within the Finnish operations and increased activity within home care. Occupancy levels in Sweden, by far the biggest market, have improved YoY, but are still well below pre-pandemic levels. In addition to low occupancy, costs related to high sick leave and inflation reduced profitability in Q2 22. It is expected that most of the cost increases experienced in 2022 will be reflected in future agreements through renegotiations or index clauses. In Q2 22, Norlandia Health and Care Group together with Up North Hospitality entered into a lease agreement for a 220-room hotel with Drammen Helsepark (DHP), a health park in connection with the new hospital in Drammen, opening in 2025. Norlandia Hotel Group will be operating the hotel.

Revenue from the Integration services is up both QoQ and YoY. Following the outbreak of the war in Ukraine, Accommodation Services in Norway opened 40 acute refugee centers with capacity to house more than 10,000 refugees. The majority of these centers opened less than a week after UDI (The Norwegian Directorate of Immigration) first signaled the need for emergency preparedness. Through a collective effort from the whole organization, the Integration services operation has demonstrated an ability to rapidly provide needed support in a highly emergent situation. Q2 22 got the full quarter effect of this major upscaling, resulting in considerably increased revenues from this operation. Although 17 of the acute centers are closed as of mid-August, in line with expectations, activity is expected to remain on a high level the coming quarters. Profitability is expected to remain robust, as Integration Services has developed a resilient cost base since the last wave of immigrants in 2015-2016. Lease contracts designed to better match UDI payments, 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.

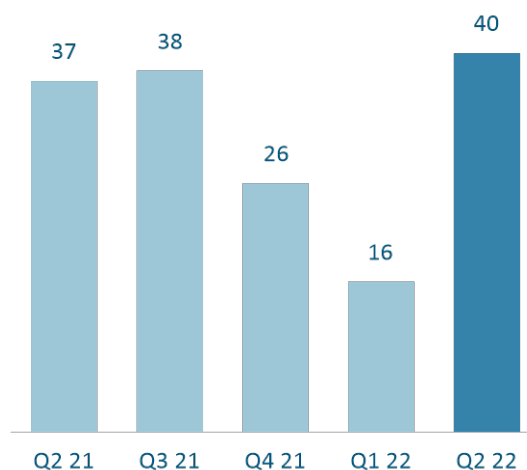
Individual and Family services revenues are up QoQ and YoY, mainly due to Aurora Omsorg which provides child care in Northern Norway. EBITA is in line YoY, despite increased electricity costs, high sick leave, and start-up costs on new units. Child Care and Respite Care services, along with Family Homes and Personal Assistance, represent the core operations in Norway. These operations are generating decent profitability. Aurora Omsorg recorded the fifth consecutive profitable quarter. Family Homes has also ramped up, however still generating losses as it continues to build volume. The Personal Assistance operations in Sweden delivered improved profitability YoY but is still generating losses following an ongoing internal re-organization. The Swedish operations are expected to recover to healthy profitability levels late 2022.

Staffing

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)



Revenue in the Staffing segment ended at NOK 794 million in Q2 22 compared to NOK 721 million in Q1 22 and NOK 738 million in Q2 21. The increase is mainly driven by operations in Norway and Sweden which both delivered a quarter with all-time high revenue. The strong momentum from Q1 22 continues into Q2 22, with a strong demand for both recruitment and temporary staffing services in the Nordic countries. The segment has managed to increase revenue on existing customers, in addition to attracting new customers.

EBITA for the Staffing segment ended at NOK 40 million (5.1 %) in Q2 22 compared to NOK 16 million (2.2 %) in Q1 22 and NOK 37 million (5.1 %) in Q2 21. The growth in EBITA QoQ was expected as Q1 normally is a weaker quarter. The EBITA margin in Q2 22 was impacted by good cost control during the quarter and is on par with the EBITA margin in Q1 22, which was an exceptionally good quarter.

The Norwegian operations increased revenue QoQ and the demand continues to be strong across all services. The revenue from lost customers was recovered from increased revenue on existing customers and new customers. There is a high demand for staffing services, specifically in the areas that were mostly affected by Covid-19. The workforce in many of these areas have moved to other positions and there is a shortage of employees. EBITA increased QoQ and YoY in nominal terms, but the margin decreased slightly due to increased personnel expenses. The operations continue to have a healthy cost base and delivers a good margin.

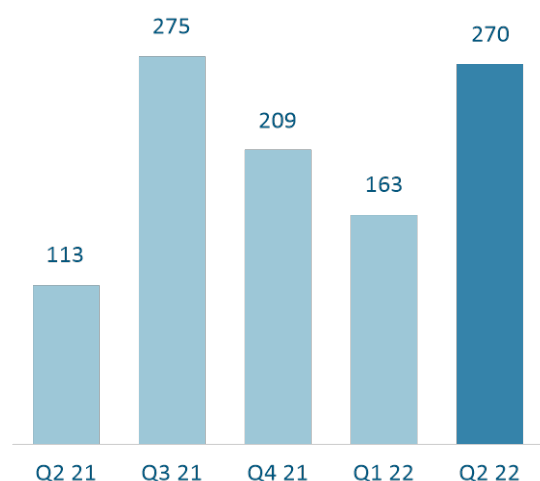
The Swedish operations continue to perform well, delivering strong revenue growth QoQ and YoY, experiencing a strong market momentum for both permanent recruitment and temporary staffing. The operation has showed an exceptional ability to take advantage of the increased demand in the market. Investments in new employees during the quarter in order to grow revenues going forward has impacted EBITA in the short-term. The quarter is also impacted by an one-off cost related to changes in IT systems and costs related to organizational changes.

The Finnish operations increased revenue QoQ but was slightly down YoY. The Finnish operations have experienced declining market shares within the construction industry but is seeking to compensate within other business areas. The EBITA increased QoQ and decreased YoY as the operations experienced increased costs related to sick leave in the quarter combined with costs related to the ongoing reorganization.

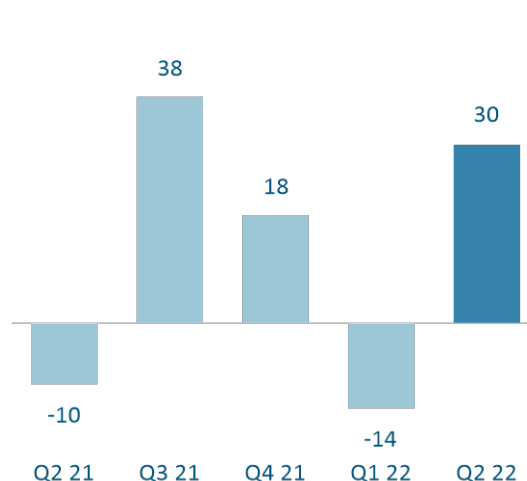
In Denmark the revenue ended above the level achieved in previous quarter, but was reduced YoY. The Danish operations is still struggling to improve their market share within the financial business area. Despite Q2 22 being behind Q2 21, the overall trend is positive.

Hotel Operations

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)



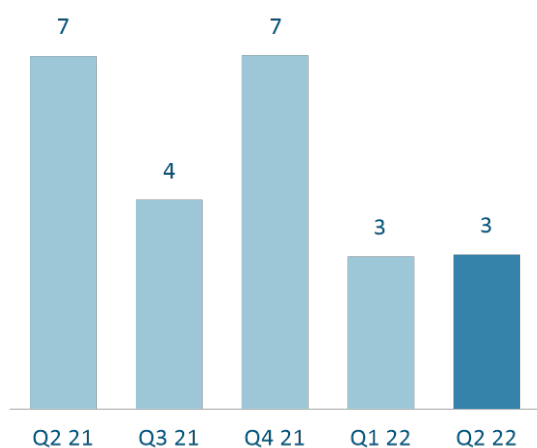
The Hotel Operations segment delivered revenue of NOK 270 million in Q2 22 compared to NOK 163 million in Q1 22 and NOK 113 million in Q2 21. In Q2 22 the Hotel segment saw a general upswing in the market, leading to a significant uplift in both occupancy and average room rates. The trend was most evident within the larger city- and conference hotels. In addition, three new hotels have been added to the portfolio since Q2 21, contributing to further growth.

EBITA in Q2 22 for the segment was NOK 30 million (11.0 %) compared to NOK -14 million (-8.6 %) in Q1 22 and NOK -10 million (-8.9 %) in Q2 21. The margin expansion reflects a more favourable market combined with a continued healthy cost base. However, the margin has also been negatively impacted by significantly increased electricity- and raw material costs. The negative margin impacts have been partly compensated by increased room rates and partly by governmental support schemes. EBITA is mostly impacted by the increased demand giving a better coverage of the cost base.

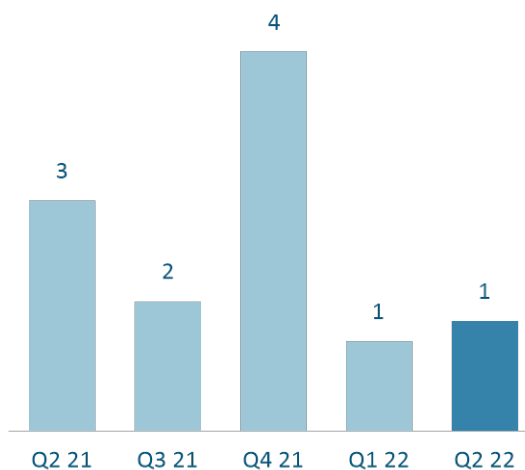
Raddison Red with 204 rooms, conference facilities, restaurant and a sky bar was opened 15 July 2022. In addition, Norlandia Health and Care and Up North Hospitality entered into a lease agreement for a 220-room hotel with Drammen Helsepark (DHP), a health park in connection with the new hospital in Drammen. Norlandia Hotel Group will be responsible for operating the hotel when it opens in 2025.

Real Estate

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)



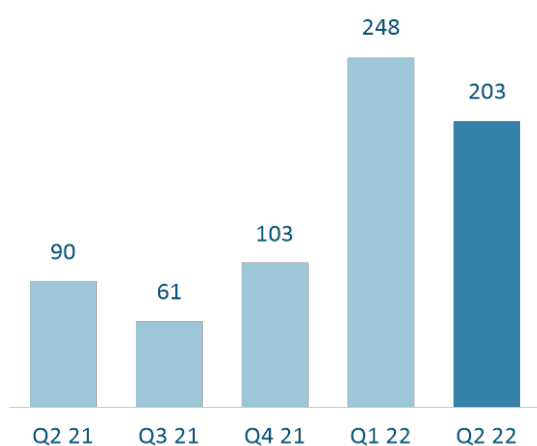
Revenue in the Real Estate segment is NOK 3 million in Q2 22 compared to NOK 3 million in Q1 22 and NOK 7 million in Q2 21.

EBITA for Q2 22 was NOK 1 million compared to NOK 1 million in Q1 22 and NOK 3 million in Q2 21.

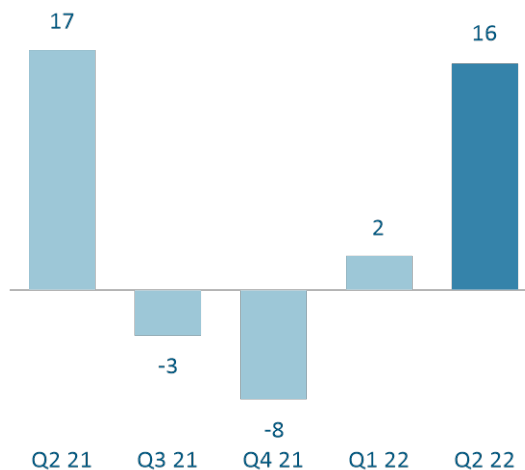
The operations included in the Real Estate segment have been marginalized following the divestments of four hotel properties in 2021 and the sale of an additional two properties in Q1 22.

Other

Revenue per quarter (MNOK)



EBITA per quarter (MNOK)



Revenues in the Other segment ended at NOK 203 million in Q2 22 compared to NOK 248 million in Q1 22 and NOK 90 million in Q2 21. The solid uplift in both revenues and EBITA is explained by the acquisition of Haneseth Gruppen AS in Q1 22. Haneseth Gruppen AS is a leading provider of a wide range of services within electrical installation, automation and plumbing in Northern Norway. The Group is present in several localities from Mid- to Northern Norway with solid project references. For Q2 22, Haneseth Gruppen AS achieved revenues of NOK 125 million, representing a solid quarter.

EBITA for Q2 22 was NOK 16 million compared to NOK 2 million in Q1 22 and NOK 17 million in Q2 21. The positive EBITA is mainly driven by Haneseth Gruppen AS and Ifront Kompetanse AS, both included in the consolidated accounts.

The associated investments included in the Other segment include e.g. AAP Group AS (50.0%), Winn Hotel Group AB (37.9%), Pioneer Property Group ASA (34.9%), Caracap (33.9%), Voss Resort AS (30.6%), Elywhere (25%) 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 Semine AS (6.6%), Norefjell Prosjektutvikling AS (16.7%), Norlandia Holding AS (33.0%), Rana Gruber (6.0%) and Din-X (26.5%).

OUTLOOK AND MAIN RISK FACTORS

The tragedy of the war in Ukraine continue to unfold at the point of this writing. There is great uncertainty about how this situation will develop. The ripple effects are and will be profound. This is seen in both the energy situation and the energy prices in all markets. The Integration services operations, in Norlandia Health & Care Group, as Norway's largest operator of immigration and refugee centers, has been central in the government's efforts to provide accommodation for Ukrainian refugees. As of early August 2022, the government has procured approximately 15.000 emergency places for refugees. Some of these will be terminated in near future. It is expected a gradual reduction this fall in the number of places procured.

While Covid-19 is receiving less public attention, it remains an uncertainty and risk going forward. Q2 22 performance has been satisfactory and the impact of Covid is reduced.

The Hotel Operations segment expects a positive development in 2022, as prebooking rates have increased, coming closer to 2019 levels. The occupancy is closely related to general purchasing power in the Norwegian and Swedish markets. With increasing key interest rate, energy prices and food prices the strong growth in demand, seen in Q2 22, will most likely be reduced going forward. Moreover, the Hotel Operations segment continues to grow as the new Radisson Red hotel in Oslo was opened in July 2022, in addition to the agreement of operating of the new patient hotel in Drammen Helsepark (DHP) opening in 2025. The lease agreement a 220-room hotel with a health park in connection with the new hospital in Drammen with DHP was signed by both Norlandia Health and Care Group and Up North Hospitality.

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, mainly impacted by the war in Ukraine, 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. The strong market momentum is expected to continue in the upcoming quarters as Q3 and Q4 are normally strong quarters. The difficulty to meet all demand due to lack of candidates is still present in the market, although the above-mentioned changes in the market conditions may affect this going forward. Increased sick leave is almost normalized during Q2 22 even though some business areas still are effected.

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 impact the Staffing segment depending on the scope of the potential changes. However, regardless of the possible changes, the entities within the Staffing segment will seek to cooperate with the state authorities and the relevant industry organizations to find solutions benefitting all parties and stakeholders. To limit the exposure to unfavorable political and market shifts, operations are diversified.

Going forward, the financial effects for Care will be highly dependent on the developments of the pandemic, Government support, and increased occupancy for elderly care. Longer-term, fundamentals remain strong and there is clearly a need for the services provided, as well as an extension of these services to meet a new and growing demand. This new demand will require higher quality services, provided in a more efficient manner. It is the ambition to be at the forefront in the supply of these services. After some very demanding years, the Integration operation services is again a profitable division of Norlandia Health and Care group. This is an important milestone in the work to downsize and reorganize after the market peak in 2016. Still, the Norwegian reception centers are ready and able to rapidly respond to market shocks, like the one we are currently witnessing. System values has been retained throughout the reorganization and have a significant market share. The segment will continue to be proactive and adapt to continuous changes in all markets.

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.

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, presented in accordance with International Financial Reporting 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, 26 August 2022

Board of Directors of Hospitality Invest AS

Kristian A. Adolfsen
Chairman of the Board

Roger Adolfsen
Member of the Board

Johnny R. Sundal
Member of the Board

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TICKER CODES:

Hospitality Invest has issued a bond loan with the following name:
Hospitality Invest AS, FRN Senior Unsecured Bond Issue 2017/2022, ISIN: NO 0010808835
Ticker: HOIN02 (the bond was listed on Oslo Stock Exchange in April 2018)

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 26 August 2022.

GROUP FINANCIAL STATEMENT

CONSOLIDATED INCOME STATEMENT (unaudited)

(All figures in NOK million)

	Notes	Q2 22	YTD 22	Q2 21	YTD 21	FY 21
Operating income						
Revenue		3,509.5	6,306.1	2,397.4	4,590.9	9,805.5
Other operating revenue		2.2	28.0	28.0	44.5	41.7
Total operating revenue	4	3,511.7	6,334.1	2,425.4	4,635.4	9,847.3
Operating expenses						
Cost of goods sold		228.4	418.0	95.0	189.7	493.5
Personnel expenses		2,142.7	4,063.4	1,803.5	3,468.8	7,136.9
Other operating expenses		733.2	1,114.4	266.9	513.0	1,122.1
EBITDA	4	407.5	738.3	260.0	463.9	1,094.8
Depreciation		174.2	346.9	158.4	319.2	679.9
EBITA	4	233.2	391.4	101.7	144.7	414.8
Amortisation	5	17.6	33.8	16.4	33.2	79.8
EBIT		215.7	357.5	85.3	111.5	335.0
Finance						
Net finance	6	3.6	-53.9	-111.6	-91.6	-192.3
Share of post-tax profits of associates		13.0	13.0	59.0	59.0	116.7
Profit before income tax		232.3	316.7	32.7	78.9	259.4
Income tax	8	-23.4	-18.8	3.0	6.7	-2.3
Profit for the period		208.9	297.9	35.8	85.6	257.1

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME (unaudited)

(All figures in NOK million)

	Notes	Q2 22	YTD 22	Q2 21	YTD 21	FY 21
Other comprehensive income						
Profit for the period		208.9	297.9	35.8	85.6	257.1
Changes in pension liabilities		-	-	-	-	5.8
Deferred tax related to these items		-	-	-	-	-1.3
Items that are or may be reclassified subsequently to profit and loss		208.9	297.9	35.8	85.6	261.6
Currency translation differences		18.0	-0.6	47.8	6.0	-40.2
Items that will not be reclassified to profit and loss		18.0	-0.6	47.8	6.0	-35.7
Total comprehensive income for the period		226.9	297.3	83.6	91.6	221.4
Attributable to						
Equity holders of the parent company		196.4	259.3	67.4	67.7	200.4
Non-controlling interest		30.5	38.0	16.2	23.9	21.0
Total comprehensive income for the period		226.9	297.3	83.6	91.6	221.4

CONSOLIDATED BALANCE SHEET STATEMENT (unaudited)

(All figures in NOK million)

ASSETS

	Notes	30/06/2022	31/12/2021
Non-current assets			
Deferred tax assets		192.3	214.6
Intangible assets	9	3,299.8	3,221.7
Property, plant & equipment		927.9	855.2
Right-of-use assets		4,967.8	4,828.3
Investment in associated companies		848.5	768.7
Other investments		177.6	181.3
Other long term receivables		241.3	206.8
Total non-current assets		10,655.3	10,276.5
Current assets			
Inventories		78.6	32.7
Accounts receivables		1,131.8	749.7
Other short-term receivables		668.8	481.0
Cash and cash equivalents		942.1	762.3
Total current assets		2,821.3	2,025.8
Total assets		13,476.5	12,302.4

CONSOLIDATED BALANCE SHEET STATEMENT (unaudited)

(All figures in NOK million)

EQUITY AND LIABILITIES

	Notes	30/06/2022	31/12/2021
Equity			
Share capital		20.4	20.4
Own Shares		-0.1	-0.1
Other equity		1,484.2	1,246.9
Equity attributable to owners of the parent		1,504.5	1,267.3
Non-controlling interest		203.4	185.9
Total equity		1,708.0	1,453.2
Liabilities			
Pension liabilities		43.3	101.4
Deferred tax liability		216.1	220.1
Loans and borrowings	10	2,751.0	2,338.6
Lease liability		4,766.8	4,589.1
Other non-current liabilities		31.6	3.0
Total non-current liabilities		7,808.8	7,252.3
Accounts payable		502.7	265.7
Loans and borrowings	10	922.1	1,216.4
Lease liability		543.9	535.7
Taxes payable		22.5	18.1
Other current liabilities		1,968.6	1,561.1
Total current liabilities		3,959.8	3,596.9
Total liabilities		11,768.5	10,849.2
Total equity and liabilities		13,476.5	12,302.4

CONSOLIDATED STATEMENT OF CASHFLOWS (unaudited)

(All figures in NOK million)

	Q2 22	YTD 22	Q2 21	FY 21
Cash flow from operating activities				
EBITDA	407.5	738.3	204.0	1,094.8
Taxes paid	16.4	4.4	-5.8	1.5
Net from sale of assets	-2.2	-27.3	7.4	-52.3
Change in net working capital	164.6	72.0	-85.6	-49.8
Changes to other operating assets and liabilities			-	-26.6
Net cash flow from operating activities	586.2	787.3	120.0	967.5
Cash flow from investing activities				
Net investment in property, plant and equipment	-146.6	-150.9	-108.4	-165.2
Investment in shares in subsidiaries	-143.6	-176.8	-19.6	-126.1
Net book value proceeds from sale of assets	131.7	131.7	-	339.4
Net investment in shares in other companies	-52.8	-79.8	-28.2	-187.9
Interest received	4.1	6.9	-	15.9
Loans to associated companies	-0.5	-44.1	-	29.5
Net change in financial receivables	9.1	13.2	-	-
Net cash flow from investing activities	-198.5	-299.8	-156.2	-94.4
Cash flow from financing activities				
Issuance of interest-bearing debt	124.4	412.4	-15.5	19.4
Repayment of interest-bearing debt	2.8	-294.3	5.1	-32.3
Lease liability - amortisation and interest	-140.8	-291.8	-149.1	-438.6
Capital increas related to non-controlling interests	-	-	-	23.4
Net interest paid and other financial items	-49.7	-128.4	-58.9	-363.4
Distribution to non-contolling interest	-	-	-	-15.7
Net cash flow from financing activities	-63.3	-302.1	-218.4	-807.2
Changes in cash and cash equivalents				
Net change in cash and cash equivalents	324.3	185.4	-254.6	65.9
Effects of changes in exchange rates on cash	-48.2	-5.6	108.1	-7.6
Cash and cash equivalents at the beginning of period	666.1	762.3	704.1	704.1
Cash and cash equivalents at end of period	942.2	942.1	557.5	762.3

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (unaudited)

(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-20		20.4	-0.1	171.9	765.5	73.9	1,031.7	160.3	1,192.0
Profit					226.6		226.6	30.5	257.1
Other comprehensive Income					14.0	-40.2	-26.2	-9.5	-35.7
Total comprehensive Income		-	-	-	240.6	-40.2	200.4	21.0	221.4
Distribution to non-controlling interest							-	-15.7	-15.7
Effect from acquisition and sale of subsidiary					11.7		11.7	-3.1	8.5
Increased non-controlling interest from business combination							-	23.4	23.4
Contribution-in-kind					23.5		23.5		23.5
Total contributions and distributions		-	-	-	35.2	-	35.2	4.6	39.8
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
Balance as of 1-January-22		20.4	-0.1	171.9	1,041.4	33.7	1,267.3	185.9	1,453.2
Profit					260.2		260.2	37.7	297.9
Other comprehensive Income						-0.8	-0.8	0.3	-0.6
Total comprehensive Income		-	-	-	260.2	-0.8	259.3	38.0	297.3
Contributions by and distributions to									
Distribution to non-controlling interest								-45.5	-45.5
Effect from acquisition and sale of subsidiary					-22.1		-22.1	25.1	3.0
Total contributions and distributions		-	-	-	-22.1	-	-22.1	-20.4	-42.5
Balance as of 30-June-22		20.4	-0.1	171.9	1,279.4	32.8	1,504.5	203.4	1,708.0

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 2021 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 interim financial statements for the Group have been prepared in accordance with International Financial Reporting Standards (IFRS) as approved by the European Union and their interpretations adopted by the International Accounting Standards Board (IASB). 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 2021. The accounting policies are the same as those described in the Annual report for 2021. The interim financial report has been prepared based on the principles of IAS 34 Interim Financial Reporting.

3. ADDITIONAL ACCOUNTING PRINCIPLES

Share of post-tax profits from associates is reported as an operational 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 “Real Estate”. The segment “Other” consists of the Parent company Hospitality Invest and the majority of HI Capital’s investments, including several diversified investments.

NOK million	Q2 22	Q1 22	YTD 22	Q2 21	Q1 21	YTD 21
Revenue by segment						
Care	2,242.0	1,687.3	3,929.3	1,477.5	1,413.2	2,890.8
Staffing	793.9	721.0	1,514.9	738.0	601.6	1,339.6
Hotel Operations	269.9	162.9	432.8	113.2	79.8	193.0
Real Estate	2.9	2.9	5.8	6.7	15.6	22.3
Other/Elim.	203.0	248.3	451.2	90.1	99.7	189.8
Total	3,511.7	2,822.4	6,334.1	2,425.4	2,210.0	4,635.4

NOK million	Q2 22	Q1 22	YTD 22	Q2 21	Q1 21	YTD 21
EBITDA by segment						
Care	281.6	286.4	568.0	175.6	193.1	368.7
Staffing	44.6	20.6	65.1	42.4	13.6	55.9
Hotel Operations	58.9	15.8	74.8	16.5	-3.6	12.9
Real Estate	2.0	1.8	3.9	4.6	11.8	16.3
Other/Elim.	20.3	6.2	26.5	21.0	-11.0	10.0
Total	407.5	330.8	738.3	260.0	203.9	463.9

NOK million	Q2 22	Q1 22	YTD 22	Q2 21	Q1 21	YTD 21
EBITDA by segment (excl. IFRS 16)						
Care	137.1	131.6	268.7	50.4	65.8	116.2
Staffing	41.4	17.3	58.7	39.1	10.2	49.3
Hotel Operations	25.2	-14.9	14.2	-9.4	-34.2	-43.6
Real Estate	2.0	1.8	3.9	4.6	11.8	16.3
Other/Elim.	20.8	3.3	20.2	16.6	-12.3	4.4
Total	226.4	139.2	365.6	101.3	41.3	142.6

NOK million	Q2 22	Q1 22	YTD 22	Q2 21	Q1 21	YTD 21
EBITA by segment						
Care	145.9	152.7	298.6	54.7	73.8	128.5
Staffing	40.3	16.0	56.3	37.3	8.6	45.9
Hotel Operations	29.7	-14.1	15.6	-10.1	-34.3	-44.4
Real Estate	1.3	1.1	2.4	2.7	8.0	10.8
Other/Elim.	16.1	2.4	18.5	17.1	-13.1	3.9
Total	233.2	158.1	391.4	101.7	43.0	144.7

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	Q2 22	Q1 22	YTD 22	Q2 21	Q1 21	YTD 21
Net Finance						
Interest income	4.1	2.8	6.9	2.5	2.4	4.9
Interest expenses	-90.1	-119.3	-209.3	-82.3	-85.9	-168.2
Non-realized currency effects	74.9	17.9	92.8	-59.3	86.0	26.7
Other finance income	16.6	44.7	61.3	30.1	21.6	51.7
Other finance expenses	-1.9	-3.6	-5.6	-2.6	-4.2	-6.8
Total	3.6	-57.5	-53.9	-111.6	19.9	-91.6

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 Q2 22 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 3,300 million at 30/06/2022, compared to NOK 3,222 million at 31/12/2021. 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 has three bond loans issued in the market. The bonds are listed on the Oslo Stock Exchange. For more information, please visit www.euronext.com.

Bond Loans	Maturity	Currency	Amount (million)
Hospitality Invest AS	10/2022	NOK	850
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, 26 August 2022

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

(Unaudited)

(Amounts in NOK million)

	Note	Q2 22	YTD 22	Q2 21	FY 21
Operating income					
Revenue		1.0	1.0	1.1	2.4
Other operating revenue	3	1.9	4.9	4.6	12.7
Total operating revenue		3.0	6.0	5.7	15.1
Operating expenses					
Personnel expenses		-2.4	-7.1	-3.0	-13.7
Other operating expenses		-2.9	-5.6	-3.0	-10.2
EBITDA		-2.3	-6.7	-0.3	-8.7
Depreciation		-0.2	-0.4	-0.2	-0.9
Operating profit (EBIT)		-2.5	-7.1	-0.5	-9.7
Finance					
Finance income	1	15.3	15.6	266.5	308.5
Finance costs		-5.2	-34.9	-12.6	-56.4
Profit before income tax		7.6	-26.4	253.3	242.5
Income tax		-	-	-	11.3
Profit for the period		7.6	-26.4	253.3	253.7

BALANCE SHEET STATEMENT (Unaudited)

(Amounts in NOK million)

ASSETS

	Note	6/30/2022	12/31/2021
Non-current assets			
Deferred tax asset		67.8	67.6
Property, plant and equipment		3.7	3.7
Shares in subsidiaries		1,547.7	1,467.8
Investment in associated companies		261.0	243.7
Loans to group companies		-	20.8
Other investments		-	17.3
Other long term receivables		19.4	19.1
Total non-current assets		1,899.6	1,840.1
Current assets			
Accounts receivables		4.9	8.5
Group receivables	2	39.9	46.2
Other short-term revceivables		12.4	11.7
Cash and cash equivalents		52.9	115.6
Total current assets		110.2	182.1
Total assets		2,009.8	2,022.1

BALANCE SHEET STATEMENT (Unaudited)

(Amounts in NOK million)

EQUITY AND LIABILITIES

	Note	6/30/2022	12/31/2021
Equity			
Share capital		20.4	20.4
Own Shares		(0.1)	(0.1)
Share premium reserve		171.9	171.9
Retained earnings		935.9	963.1
Total equity		1,128.2	1,155.3
Liabilities			
Non-current liabilities			
Bond loans		-	-
Interest bearing debt to credit institutions		4.2	4.5
Total non-current liabilities		4.2	4.5
Current liabilities			
Accounts payable		5.6	0.4
Bond loans		849.5	848.7
Other current liabilities		22.4	13.2
Total current liabilities		877.4	862.3
Total liabilities		881.6	866.8
Total equity and liabilities		2,009.8	2,022.1

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 32.5 million in short-term receivable from other group companies and 7.4 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	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21
CASH AND CASH EQUIVALENTS > MNOK 20						
Hospitality Invest		52.9	27.6	115.8	148.2	34.1
Total cash and cash equivalents		52.9	27.6	115.8	148.2	34.1
BOOK EQUITY > MNOK 450						
Equity		1,128.2	1,120.6	1,155.3	1,158.2	1,135.3
Book Equity		1,128.2	1,120.6	1,155.3	1,158.2	1,135.3

GROUP WEB PAGES

PARENT & SUBSIDIARIES

Hospitality Invest AS
www.hospitalityinvest.no

Norlandia Heath and Care Group AS
www.nhcgroup.no

Haneseth Gruppen AS
www.haneseth.no

Otiga Group AS
www.otigagroup.com

Norlandia Hotel Group AS
www.norlandiahotelgroup.no

Ifront Karriere AS
www.ifront-karriere.no

ASSOCIATED COMPANIES

Pioneer Property Group ASA
www.pioneerproperty.no

Voss Resort
www.vossresort.no

Nova-Dental
www.nova-dental.no

Elywhere AS
www.elywhere.com

Miliarium Bolig AS
www.miliarium.no

Norefjell Ski & Spa AS
www.norefjellskiogspa.no

Winn Hotel Group AB
www.winn.se



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