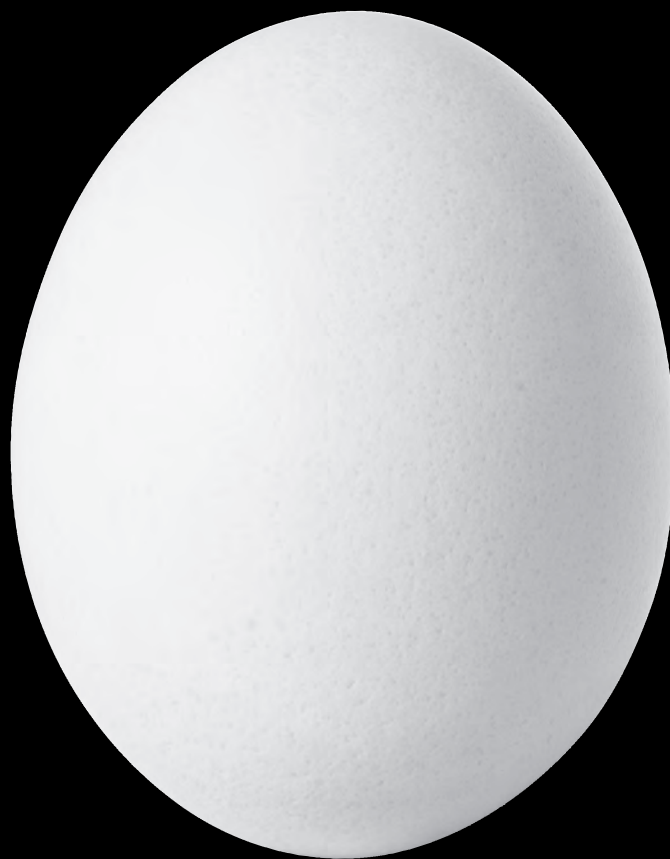


HOTEL MARKET UPDATE

NORDIC HOTEL MARKET TRENDS AND ECONOMIC INDICATORS

Apr/22



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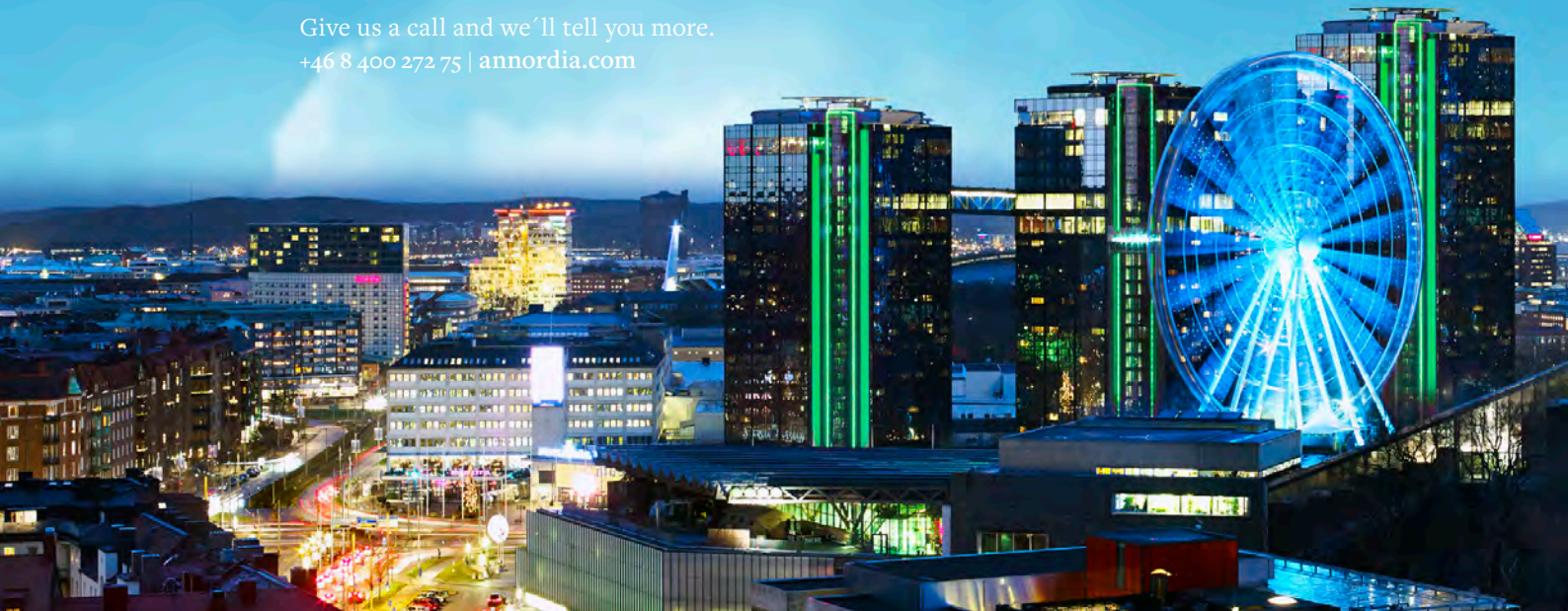
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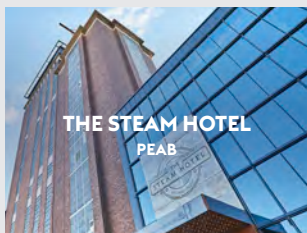
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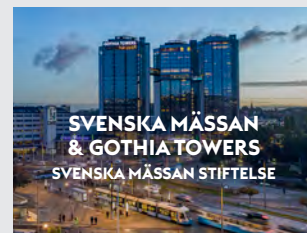
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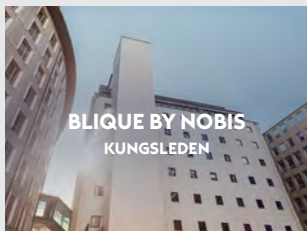
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HOTEL MARKET UPDATE

Welcome to Annordia's monthly market snapshot Hotel Market Update. In this report you'll find important statistical information in respect of the Swedish and Nordic hotel markets.

Annordia has undertaken significant research and analysis of every aspect of the hospitality industry. Over time, we have built comprehensive databases with the latest market information in order to support our consultancy services. We therefore have a unique insight into current market dynamics that we gladly share and which we hope helps to grow your interest in the hotel sector.

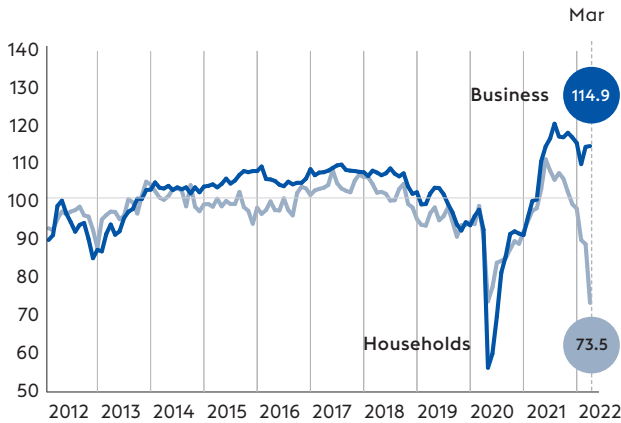
TALKING POINTS OF THE MONTH

The short-term outlook for the hotel market is difficult to assess. On the one hand, hotel companies are very optimistic in their view of demand in the coming months, and the business community has a generally positive view of the situation in the economy. On the other hand, Swedish households are very gloomy. The household confidence indicator is at its lowest level since the financial crisis in 2008, which is likely a consequence of the war in Ukraine and the high inflation rate. All in all, this makes it difficult to forecast developments in the near future.

- The household confidence indicator in March fell to the lowest level since the financial crisis in 2008 – see confidence indicators on page 2.
- Hotel companies' expectations of demand in three months' time continued to strengthen in March – see hotel companies' expectations on page 3.
- The demand for hotel rooms in February in Sweden was 60 percent higher compared with February 2021. However, the level was still 25 percent lower than in February 2020 – see page 4.
- Occupied hotel rooms increased by almost 250 percent in Denmark in February compared with February 2021. However, the level was still 11 percent lower than in February 2020 – see page 7.

MACRO INDICATORS IN SWEDEN

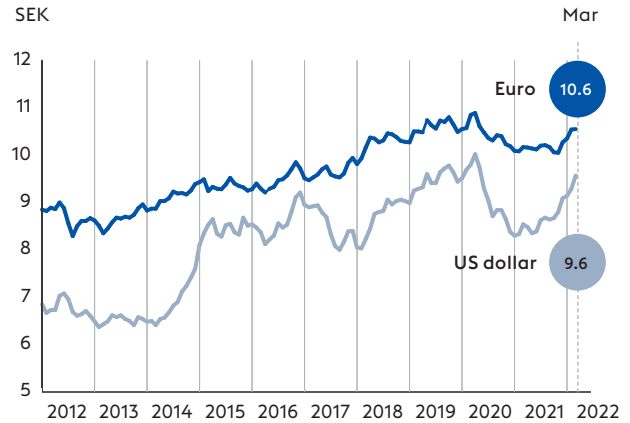
There was a dramatic drop in the level of the household confidence indicator in March. The level was even lower than in April 2020 just when the pandemic had struck. However, the business confidence indicator remains at a high level.



Confidence indicators for business and households in Sweden, up to and including March.

Source: The National Institute of Economic Research
Confidence indicators are an overall measure of the overall perceptions and expectations of business and households.

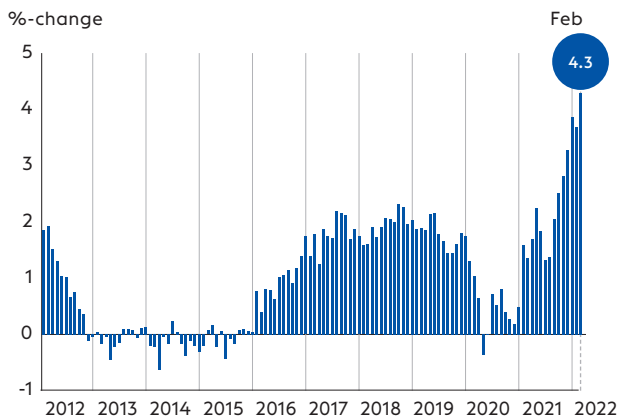
The weakening of the Swedish krona against both the Euro and the US dollar continued in March. The value of the Swedish krona fell against the US dollar by three percent while the fall against the Euro was marginal.



The development of the Swedish krona against the Euro and the US dollar, up to and including March.

Source: The Central Bank of Sweden

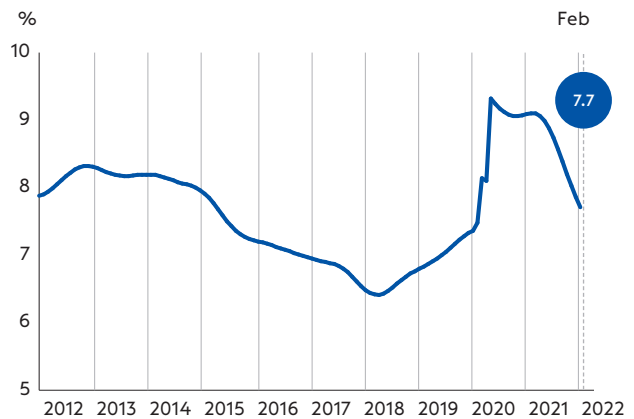
The rate of price increase, according to the CPI, was at its highest level in February any month since September 2008. The rate of increase was 4.3 percent between February 2022 and February 2021, an increase from 3.7 percent the month before.



The inflation rate (CPI) in the Swedish economy, up to and including February.

Source: Statistics Sweden

Unemployment, according to trend, was 7.7 percent in February. This is 1.4 percentage points lower than in February 2021. If the decline continues, unemployment will be down to the level from before the pandemic within a few months.



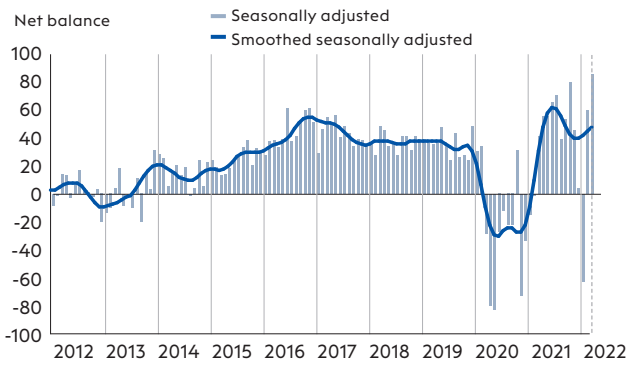
Unemployment (trend) as a percentage of the Swedish market up to and including February.

Source: The laborforce survey (Statistics Sweden)

4.3%
FEBRUARY INFLATION RATE

SWEDISH HOTEL MARKET SUMMARY

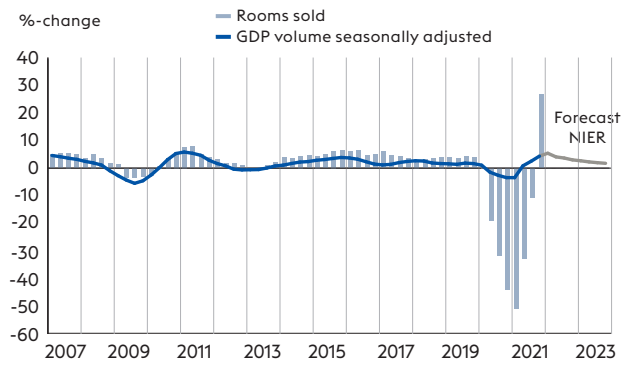
Hotel companies' expectations of demand in three months' time continued to strengthen in March. The level of the seasonally adjusted net balance was actually the highest ever reported.



Swedish hotel companies' expectations of demand for their services in the next 3 months, up to and including March.

Source: The National Institute of Economic Research
Net balance: See definitions on page 8

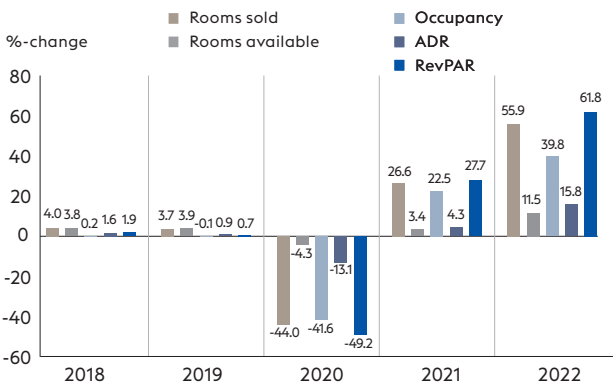
The Swedish economy is expected to grow by just over three percent in 2022, which will support the recovery in the hotel market. Historically, the connection between growth in the economy and growth in the hotel industry has been strong.



Development of occupied hotel rooms and GDP (volume) in Sweden, 4-quarter rolling averages.

Source: The Swedish Growth Agency/Statistics Sweden & the National Institute of Economic Research

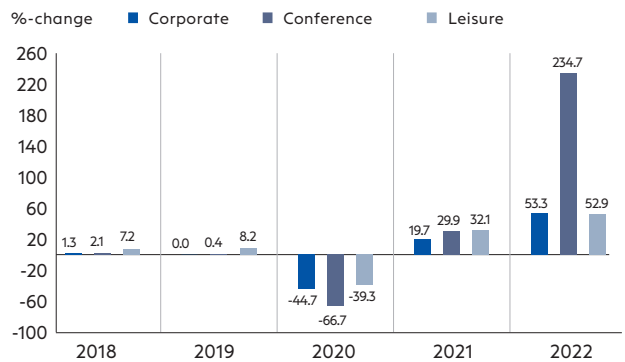
The RevPAR level was 62 percent higher year-to-date compared with the corresponding period last year. Compared with the corresponding period in 2020, however, the level was 35 percent lower.



Development of key performance indicators in the Swedish hotel market, compared with the previous year, up to and including February.

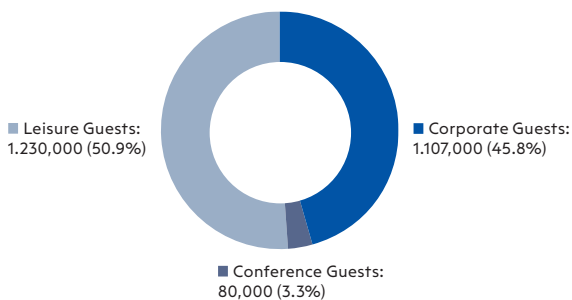
Source: The Swedish Growth Agency/Statistics Sweden

The growth in the market for overnight conference guests was up more than 200 percent so far this year compared with the corresponding period last year. However, the growth came from very low levels of demand.



Percentage change of occupied hotel rooms by demand segmentation in the Swedish hotel market compared with the previous year, up to and including February.

Source: The Swedish Growth Agency/Statistics Sweden



The conference segment accounted for only three percent of the demand for hotel rooms in the country year-to-date.

Distribution of occupied hotel rooms between different demand segments in the Swedish hotel market, Feb 2022.

Source: The Swedish Growth Agency/Statistics Sweden

TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES

MONTH FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	252	135	86.4	40.1	24.3	65.3	959	728	31.7	384	176	117.8
GOTHENBURG	106	56	90.3	40.8	23.4	74.1	945	796	18.8	385	186	106.8
MALMÖ	56	32	73.2	39.5	23.5	67.9	782	701	11.7	309	165	87.5
SIGTUNA	36	15	133.6	39.1	18.3	113.5	851	725	17.4	333	133	150.7
SOLNA	22	16	35.6	25.7	24.1	6.7	763	607	25.7	196	146	34.1
JÖNKÖPING	18	12	47.7	36.4	26.4	38.0	830	751	10.5	302	198	52.5
HELSINGBORG	20	14	41.9	37.2	27.7	34.1	850	729	16.5	316	202	56.3
UMEÅ	35	17	104.1	67.8	34.5	96.3	894	710	25.9	606	245	147.2
UPPSALA	22	13	63.6	45.6	28.0	62.8	774	650	19.0	353	182	93.8
LINKÖPING	22	15	52.2	40.6	28.7	41.3	780	684	14.0	317	197	61.1
LUND	16	12	35.9	33.8	29.2	15.6	803	709	13.3	271	207	30.9
KARLSTAD	18	11	64.0	46.2	29.6	56.4	874	714	22.4	404	211	91.5
ÖREBRO	18	12	43.4	42.9	31.3	36.9	907	773	17.3	389	242	60.5
VÄSTERÅS	24	15	56.8	58.5	40.7	43.6	892	837	6.6	522	341	53.1
SUNDSVALL	21	16	34.7	40.4	36.2	11.5	857	744	15.2	346	270	28.5
NORRKÖPING	15	11	35.4	35.5	29.1	21.9	914	812	12.6	325	237	37.3
LULEÅ	18	10	89.6	53.2	31.6	68.3	807	713	13.2	429	225	90.4
GOTLAND	7	5	55.6	29.4	19.5	51.0	780	643	21.3	229	125	83.1
NACKA	12	7	66.8	34.5	26.9	28.3	1,374	1,332	3.1	475	359	32.3
HALMSTAD	13	9	43.5	32.4	31.1	4.4	1,024	965	6.1	332	300	10.7
GÄVLE	15	11	37.3	52.8	40.0	32.1	910	806	12.9	480	322	49.1
ÖSTERSUND	14	9	56.3	53.5	35.2	52.0	842	683	23.4	451	240	87.6
VÄXJÖ	12	6	83.5	46.3	27.8	66.8	883	835	5.8	409	232	76.4
KALMAR	10	8	19.8	44.5	37.1	19.8	811	699	16.0	361	260	38.9
SÖDERTÄLJE	10	7	44.2	43.0	34.3	25.1	859	667	28.8	369	229	61.1
SWEDEN	1,365	851	60.3	39.5	27.1	45.8	955	830	15.1	378	225	67.7

The most positive rates of change for each respective variable are highlighted in grey.

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden

YEAR-TO-DATE JANUARY – FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	447	254	76.1	33.8	22.2	51.9	929	713	30.2	314	159	97.8
GOTHENBURG	181	101	78.9	33.3	21.1	57.9	917	776	18.2	305	163	86.6
MALMÖ	97	57	70.9	33.1	20.4	62.6	769	679	13.2	254	138	84.1
SIGTUNA	71	33	110.5	35.7	18.9	89.3	853	685	24.6	305	129	135.9
SOLNA	37	30	23.2	21.0	22.4	-6.6	737	602	22.4	155	135	14.4
JÖNKÖPING	32	22	43.4	29.7	21.8	35.9	829	742	11.7	246	162	51.8
HELSINGBORG	34	23	43.7	30.1	24.0	25.5	835	721	15.8	252	173	45.4
UMEÅ	62	33	89.7	56.6	31.8	78.0	834	688	21.2	472	219	115.8
UPPSALA	41	25	66.9	40.6	25.3	60.9	752	644	16.8	306	163	88.0
LINKÖPING	41	28	46.8	36.0	26.4	36.4	758	671	12.9	273	177	54.1
LUND	29	22	33.7	31.0	26.8	15.7	777	678	14.6	241	182	32.5
KARLSTAD	31	19	63.0	38.2	25.2	51.7	831	702	18.5	317	177	79.8
ÖREBRO	31	22	40.7	36.1	26.9	33.8	897	763	17.6	323	206	57.3
VÄSTERÅS	43	27	57.7	50.0	35.2	42.1	881	851	3.5	441	299	47.2
SUNDSVALL	38	29	27.9	33.9	31.6	7.2	844	727	16.1	286	230	24.5
NORRKÖPING	27	20	34.4	29.9	24.5	22.3	894	821	9.0	268	201	33.2
LULEÅ	31	18	74.1	43.4	28.2	54.0	802	693	15.8	348	195	78.3
GOTLAND	14	9	57.3	26.3	18.2	44.7	780	638	22.2	205	116	76.9
NACKA	20	12	66.5	30.7	24.7	24.3	1,394	1,379	1.1	428	341	25.7
HALMSTAD	23	16	40.9	27.6	27.5	0.4	996	907	9.8	275	249	10.3
GÄVLE	29	21	33.4	46.4	36.6	26.8	895	806	11.1	416	295	40.8
ÖSTERSUND	24	16	55.6	44.9	30.8	45.9	823	705	16.8	370	217	70.4
VÄXJÖ	20	12	66.8	39.7	24.9	59.5	874	797	9.7	347	198	74.9
KALMAR	17	15	14.6	36.8	32.4	13.5	780	678	15.1	287	220	30.6
SÖDERTÄLJE	17	13	29.7	34.4	31.2	10.1	825	666	23.9	284	208	36.4
SWEDEN	2,417	1,550	55.9	33.7	24.1	39.8	936	808	15.8	315	195	61.8

The most positive rates of change for each respective variable are highlighted in grey.

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden

12-MONTH ROLLING AVERAGE MARCH - FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	3,289	1,785	84.2	42.8	24.3	76.1	944	831	13.6	404	202	100.1
GOTHENBURG	1,521	868	75.2	46.0	28.8	59.6	1,015	843	20.5	467	243	92.2
MALMÖ	801	505	58.8	43.8	29.0	50.9	820	746	9.9	359	216	65.9
SIGTUNA	417	210	98.8	34.7	19.7	76.2	845	782	8.0	293	154	90.4
SOLNA	296	203	46.0	28.4	25.6	11.3	740	664	11.4	211	170	24.0
JÖNKÖPING	301	218	38.3	45.4	33.6	34.9	913	817	11.8	414	275	50.8
HELSINGBORG	314	218	43.8	45.3	36.3	24.8	932	832	12.0	422	302	39.8
UMEÅ	386	235	64.3	57.5	37.1	55.0	756	719	5.1	434	267	63.0
UPPSALA	295	176	67.0	46.2	30.7	50.5	758	752	0.8	350	231	51.7
LINKÖPING	327	218	49.6	47.0	33.1	42.0	736	722	2.0	346	239	44.9
LUND	248	167	48.7	42.6	33.8	26.0	831	764	8.7	354	258	37.0
KARLSTAD	235	163	44.4	47.7	34.3	39.0	844	759	11.2	403	261	54.6
ÖREBRO	257	189	36.0	48.8	37.5	30.2	893	814	9.7	436	305	42.8
VÄSTERÅS	295	208	41.5	56.0	41.8	34.0	921	899	2.4	516	376	37.3
SUNDSVALL	298	218	36.6	46.7	38.1	22.5	805	774	4.1	376	295	27.5
NORRKÖPING	254	188	35.0	47.5	36.1	31.3	1,045	974	7.3	496	352	40.9
LULEÅ	224	150	49.5	52.1	33.4	56.1	798	747	6.9	416	249	66.8
GOTLAND	256	180	42.6	51.1	38.1	34.1	1,244	1,061	17.3	636	404	57.3
NACKA	171	96	78.6	41.4	29.8	39.0	1,325	1,233	7.5	548	367	49.4
HALMSTAD	234	155	51.1	48.7	39.1	24.4	1,164	1,204	-3.3	567	471	20.3
GÄVLE	225	164	36.8	58.9	44.0	33.8	917	851	7.8	540	374	44.3
ÖSTERSUND	174	112	55.7	52.3	33.8	54.8	819	757	8.2	428	256	67.5
VÄXJÖ	156	109	43.7	48.9	35.9	36.4	886	830	6.8	433	298	45.7
KALMAR	173	131	32.2	56.0	45.2	24.1	942	874	7.7	528	395	33.6
SÖDERTÄLJE	116	81	42.8	40.8	29.7	37.6	790	725	8.9	322	215	49.9
SWEDEN	18,892	12,285	53.8	43.1	29.9	44.1	953	866	10.0	411	259	58.5

The most positive rates of change for each respective variable are highlighted in grey.

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden

NORDIC HOTEL MARKET – COUNTRIES AND CAPITAL CITIES

MONTH FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	1,365	851	60.3	39.5	27.1	45.8	955	830	15.1	378	225	67.7
DENMARK	592	170	248.2	40.0	12.0	233.3	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	625	392	59.4	40.4	28.7	40.8	1,127	902	19.6	455	259	68.3
NORWAY	898	470	91.1	38.0	25.0	52.0	1,099	890	15.7	418	222	75.8
STOCKHOLM	252	135	86.4	40.1	24.3	65.3	959	728	31.7	384	176	117.8
COPENHAGEN	246	67	268.4	40.0	12.0	233.3	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	82	46	76.5	26.4	19.0	38.9	1,055	870	15.9	279	165	61.1
OSLO	150	44	242.1	39.0	17.0	129.4	1,055	752	31.3	411	128	201.2

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden, Statistics Norway, Statistics Denmark, Statistics Finland

*Changes in ADR and RevPAR are as per the respective changes in local currencies

YEAR-TO-DATE JANUARY – FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	2,417	1,550	55.9	33.7	24.1	39.8	936	808	15.8	315	195	61.8
DENMARK	992	327	203.2	32.9	10.9	200.1	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	1,111	730	52.2	34.2	25.8	32.6	1,093	871	20.0	374	225	59.1
NORWAY	1,537	927	65.8	31.2	22.9	36.7	1,063	869	14.5	332	199	56.5
STOCKHOLM	447	254	76.1	33.8	22.2	51.9	929	713	30.2	314	159	97.8
COPENHAGEN	411	130	215.9	32.2	10.9	194.7	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	145	91	58.9	22.3	18.3	21.7	1,034	863	14.6	230	158	39.5
OSLO	242	95	154.3	29.4	15.9	85.2	1,031	746	29.3	303	118	139.6

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden, Statistics Norway, Statistics Denmark, Statistics Finland

*Changes in ADR and RevPAR are as per the respective changes in local currencies

12-MONTH ROLLING AVERAGE MARCH – FEBRUARY

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	18,892	12,285	53.8	43.1	29.9	44.1	953	866	10.0	411	259	58.5
DENMARK	8,129	4,550	78.7	41.9	24.0	74.5	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	7,945	5,219	52.2	40.8	31.5	29.4	1,005	875	9.8	410	276	42.2
NORWAY	11,612	8,197	41.7	41.0	32.9	24.7	1,119	951	10.1	459	313	37.4
STOCKHOLM	3,289	1,785	84.2	42.8	24.3	76.1	944	831	13.6	404	202	100.1
COPENHAGEN	2,985	1,293	130.9	38.0	17.7	114.9	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	1,282	664	93.2	33.3	24.2	37.4	1,002	897	6.9	334	217	46.8
OSLO	1,709	1,046	63.4	40.0	27.0	47.9	1,075	841	19.7	430	227	77.0

Source: The Swedish Agency for Economic and Regional Growth/Statistics Sweden, Statistics Norway, Statistics Denmark, Statistics Finland

*Changes in ADR and RevPAR are as per the respective changes in local currencies

DEFINITIONS

Net balance: Net balance is the difference between the number of positive versus negative responses received from hotels regarding their demand expectations for their services.

Occupancy: Rooms sold/Available rooms.

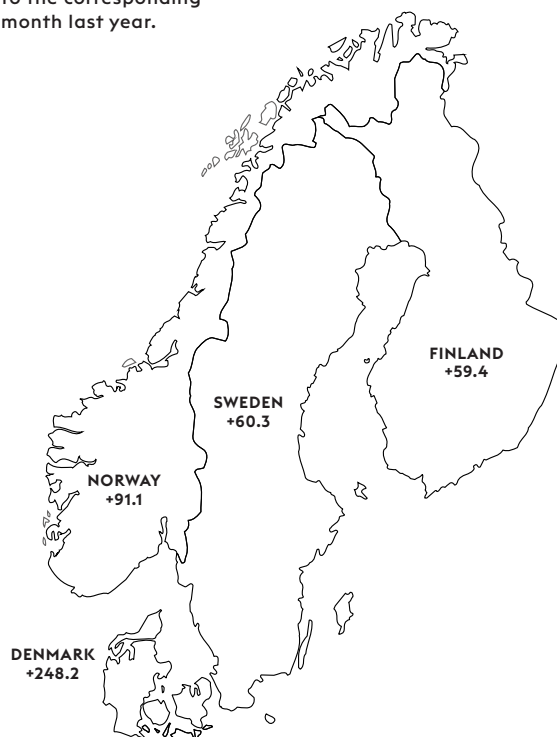
ADR: Accommodation revenue/Rooms sold.

RevPAR: Occupancy x ADR.

N/A: Not available.

ROOMS SOLD IN THE NORDICS IN FEBRUARY

%-change compared to the corresponding month last year.



268.4%

INCREASE IN ROOMS SOLD
IN COPENHAGEN, FEBRUARY 2022

Annordia was born from a passion for hotels. Thirty years on, we're proud to be one of the Nordic region's leading hotel investment and development consultancies. We are a full-service advisor that assists clients across the Nordics through every phase of the investment cycle – from market analysis, concept development and operator search to valuations as well as lease and transaction advisory.

Please contact us if you want to know more.

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