

HOTEL MARKET UPDATE

NORDIC HOTEL MARKET TRENDS AND ECONOMIC INDICATORS

May/22



SWEDISH MACRO INDICATORS 2
SWEDISH HOTEL MARKET SUMMARY 3
TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES 4
NORDIC HOTEL MARKET - COUNTRIES AND CAPITAL CITIES 7



Annordia advised Liseberg on the sale of Hotell Heden in Gothenburg

Annordia is pleased to have advised Liseberg AB on the sale of the business of Hotell Heden to Ekman Hotels. The hotel has 179 rooms, a restaurant, conference facilities and is located in the centre of Gothenburg. The property is owned by the municipal company Higab.

– We thank Liseberg for their confidence and wish Ekman Hotels the best of luck with the continued development of the hotel. We are also very pleased that the hotel attracted such interest from prospective buyers, which shows that many hotel companies want to expand, says Hans Åke Petersson, CEO & Partner at Annordia.

Give us a call and we'll tell you more. +46 8 400 272 75. annordia.com

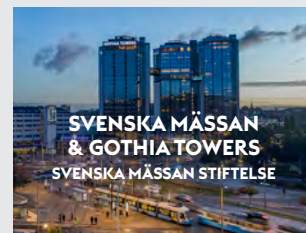
OUR SERVICES



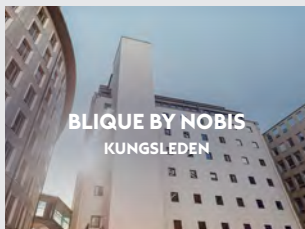
Market analysis
Establish the feasibility of a potential hotel investment.



Concept development
Hotel planning and optimisation based on market characteristics.



Lease advisory
Adding value in rent review, lease renewals and valuations.



Operator search
Recruitment of suitable hotel operators on favourable terms.



Valuation
For acquisitions, year-end accounting and secured lending.



Transaction advisory
For owners and operators in the hospitality industry.



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.

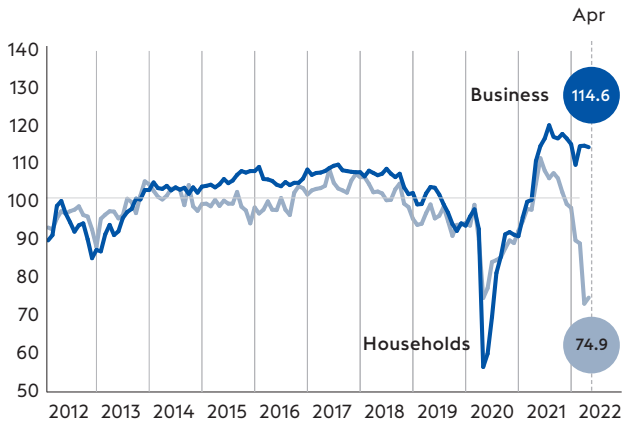
TALKING POINTS OF THE MONTH

Optimism remains very high in the Swedish hotel market. Hotel companies expect both higher demand and higher prices in the coming months. This is from levels of both demand and prices that are almost back to pre-pandemic levels. The recovery in demand also applies to both business and leisure guests. If expectations are met, demand will soon be well above the level of 2019. However, some caution may be in order as there is a lot of uncertainty about the future developments in the Swedish economy.

- The household confidence indicator remained, in a historical perspective, at a very low level in April – see confidence indicators on page 2.
- 8 out of 10 hotel companies expect increased demand in three months' time – see hotel companies' expectations on page 3.
- The demand for hotel rooms in March in Sweden was 100 percent higher compared with March 2021. The level was still 3 percent lower than in March 2019 – see page 4.
- Occupied hotel rooms increased by between 100 percent and 280 percent in the Nordic countries between March this year and March 2021. The occupancy rate was around 50 percent in all countries in March – see page 7.

MACRO INDICATORS IN SWEDEN

The confidence indicators for business and households gives a fragmented picture of the situation in the economy. The business sector indicator is at a very high level at the same time as the opposite applies to the household indicator.

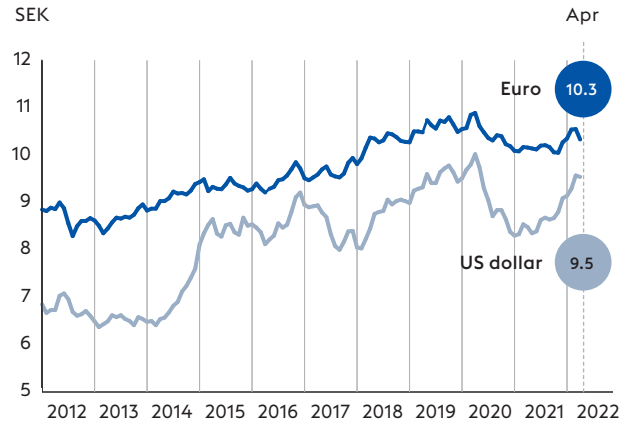


Confidence indicators for business and households in Sweden, up to and including April.

Source: The National Institute of Economic Research

Confidence indicators are an overall measure of the overall perceptions and expectations of business and households.

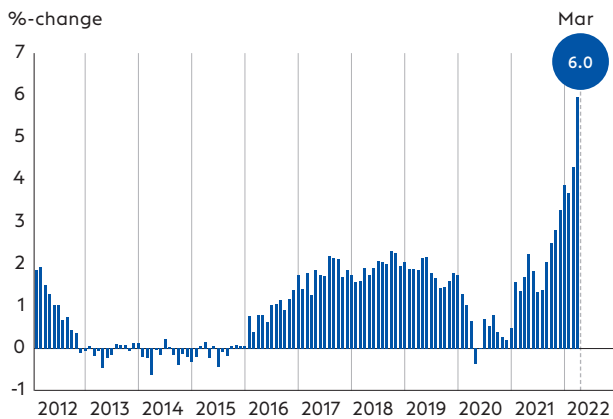
After the value of the Swedish krona weakened for several months, a strengthening took place in April. The value against the Euro strengthened by two percent between March and April, while the strengthening against the dollar was marginal.



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

Source: The Central Bank of Sweden

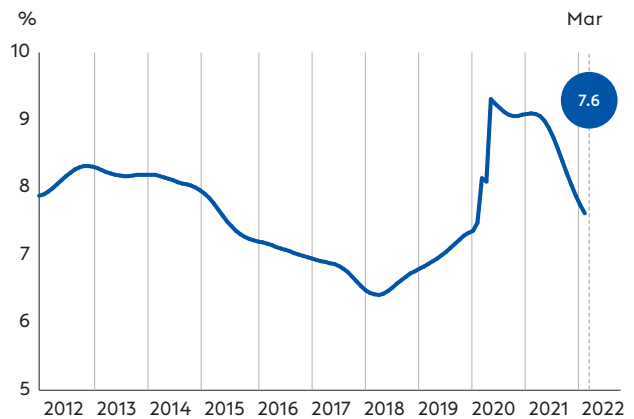
The rate of price increase, according to the CPI, continued to rise sharply in March. The rate of increase was 6 percent between March 2022 and March 2021. Electricity, fuel and food together accounted for half of the increase.



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

Source: Statistics Sweden

Unemployment, according to the trend, was 7.6 percent in February. The decline that started in the spring of 2021 continues. Despite a relatively high level of unemployment, however, the shortage of labour has become increasingly serious.



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

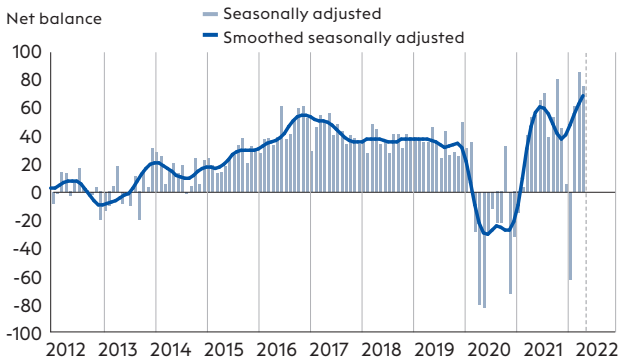
Source: The laborforce survey (Statistics Sweden)

6.0%

MARCH INFLATION RATE

SWEDISH HOTEL MARKET SUMMARY

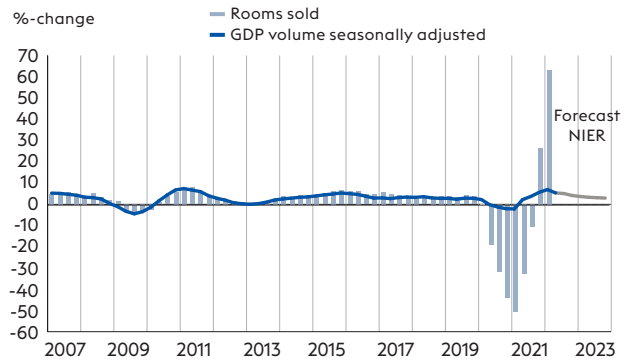
Hotel companies' expectations of demand in three months' time were very high in April. 8 out of 10 hotel companies expect increased demand in three months' time, while only a few percent expect the opposite.



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

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

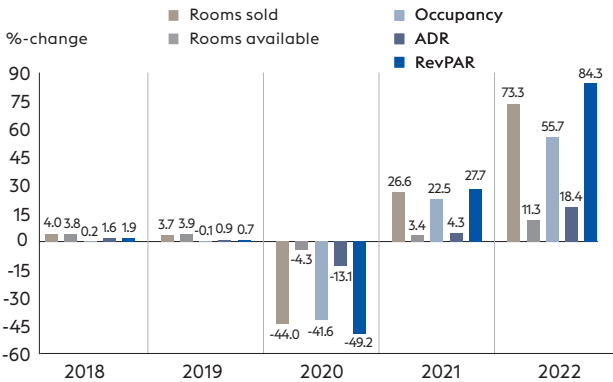
The Swedish economy is expected to grow by just over three percent in 2022, which will support the recovery in the hotel market. Historically, the connection between growth in the economy and growth in the hotel industry has been strong.



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

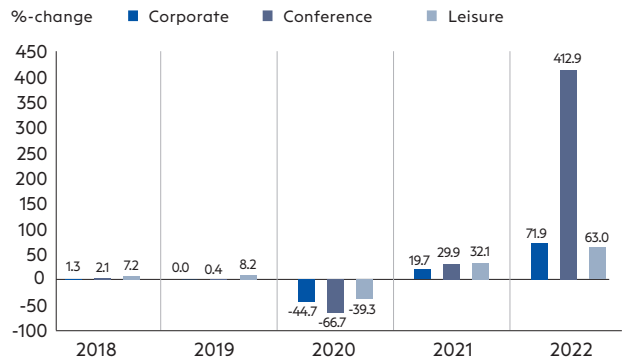
The RevPAR level was 84 percent higher year-to-date compared with the corresponding period last year. However, the RevPAR level in March was still 8 percent below the level in March 2019.



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

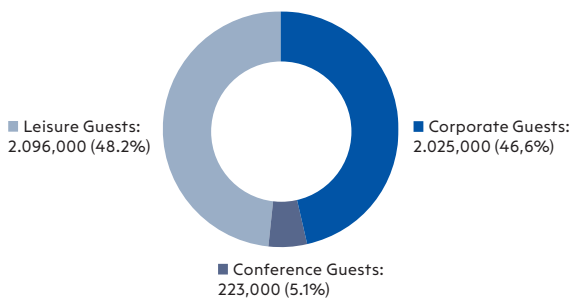
Source: The Swedish Growth Agency/Statistics Sweden

Occupied hotel rooms from business and conference guests together are 85 percent higher in the first quarter of 2022 than in the corresponding period in 2021. However, the level is almost 30 percent lower than in the first quarter of 2019.



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

Source: The Swedish Growth Agency/Statistics Sweden



The business segment accounted for 47 percent of the demand for hotel rooms in the country in the first quarter of 2022.

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

Source: The Swedish Growth Agency/Statistics Sweden

TRENDS IN SWEDEN'S 25 LARGEST HOTEL MUNICIPALITIES

MONTH MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	375	153	145.8	53.1	25.2	110.7	1,048	727	44.1	556	183	203.7
GOTHENBURG	155	60	157.5	53.6	22.8	134.7	1,000	775	29.0	536	177	202.7
MALMÖ	83	34	142.0	52.4	22.9	128.6	855	698	22.5	448	160	180.1
SIGTUNA	55	18	197.1	52.0	19.0	173.1	926	702	31.9	481	134	260.3
SOLNA	40	19	109.5	41.6	25.4	63.9	919	583	57.8	383	148	158.6
JÖNKÖPING	29	14	111.0	51.5	26.0	97.8	1,024	768	33.5	528	200	163.9
HELSINGBORG	29	15	92.1	49.3	26.6	85.0	915	755	21.1	451	201	124.0
UMEÅ	38	18	113.8	67.0	32.6	105.8	826	671	23.1	553	218	153.4
UPPSALA	34	15	128.5	61.9	27.3	127.1	957	666	43.7	592	182	226.3
LINKÖPING	32	17	95.0	52.9	29.5	79.1	786	668	17.7	416	197	110.8
LUND	24	13	89.1	44.6	29.2	52.7	877	693	26.5	391	202	93.1
KARLSTAD	27	12	115.7	62.9	30.3	107.6	924	704	31.3	581	213	172.6
ÖREBRO	27	13	101.0	57.1	31.6	80.6	1,024	778	31.6	585	246	137.7
VÄSTERÅS	33	17	101.2	73.1	38.7	89.1	854	856	-0.2	624	331	88.6
SUNDSVALL	29	16	83.7	53.6	31.9	68.2	879	729	20.6	471	232	102.8
NORRKÖPING	22	12	75.5	43.7	27.9	56.3	878	811	8.3	383	227	69.2
LULEÅ	23	11	118.4	60.4	31.0	94.5	877	704	24.5	529	219	142.2
GOTLAND	16	7	127.6	44.6	24.5	82.4	762	731	4.3	340	179	90.2
NACKA	15	7	109.7	41.6	29.3	41.9	1,320	1,344	-1.8	549	394	39.3
HALMSTAD	21	11	98.6	51.0	33.0	54.8	1,011	937	7.9	516	309	67.1
GÄVLE	22	12	91.3	68.7	37.0	85.7	958	792	21.1	658	293	124.9
ÖSTERSUND	16	12	41.5	57.6	41.3	39.6	830	736	12.9	479	304	57.5
VÄXJÖ	18	8	139.0	61.9	29.4	110.3	985	850	15.9	610	250	143.8
KALMAR	14	9	57.3	51.5	35.1	46.9	866	745	16.3	446	261	70.7
SÖDERTÄLJE	11	7	64.0	43.2	30.2	43.0	891	675	32.0	385	204	88.8
SWEDEN	1,935	956	102.3	49.7	27.3	82.0	994	822	21.0	494	224	120.2

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 – MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	822	406	102.3	40.5	23.3	74.2	984	718	37.0	399	167	138.5
GOTHENBURG	335	161	107.5	40.2	21.7	85.3	955	775	23.1	384	168	128.1
MALMÖ	180	91	97.5	39.8	21.2	87.4	809	686	18.0	322	146	121.0
SIGTUNA	125	52	141.5	41.6	18.9	119.8	883	691	27.9	367	131	181.1
SOLNA	76	49	55.0	27.9	23.5	18.9	835	595	40.4	233	140	66.9
JÖNKÖPING	61	36	69.4	37.3	23.3	60.0	924	752	22.9	345	175	96.7
HELSINGBORG	63	39	62.7	36.8	25.0	47.2	871	735	18.6	320	183	74.6
UMEÅ	100	51	98.5	60.2	32.1	87.9	831	682	21.9	501	219	129.1
UPPSALA	74	39	88.8	47.8	26.0	83.9	865	652	32.6	413	169	143.9
LINKÖPING	73	44	64.8	41.9	27.5	52.5	771	670	15.0	323	184	75.3
LUND	54	35	53.8	35.8	27.6	29.8	826	684	20.7	296	189	56.7
KARLSTAD	57	31	83.9	46.7	27.0	73.1	874	702	24.5	408	189	115.5
ÖREBRO	58	36	63.9	43.6	28.6	52.8	956	768	24.5	417	219	90.2
VÄSTERÅS	77	44	74.0	58.0	36.4	59.2	869	853	1.9	504	311	62.2
SUNDSVALL	66	45	46.2	40.9	31.7	28.8	861	727	18.3	352	231	52.4
NORRKÖPING	48	32	50.1	34.8	25.7	35.3	887	817	8.6	308	210	46.9
LULEÅ	54	28	90.3	49.2	29.2	68.8	834	697	19.6	410	203	101.9
GOTLAND	29	16	85.2	34.5	20.5	67.8	768	679	13.2	265	139	89.9
NACKA	36	20	83.1	34.7	26.3	32.1	1,360	1,366	-0.4	472	359	31.5
HALMSTAD	45	27	63.7	35.4	29.4	20.4	1,003	919	9.1	355	270	31.3
GÄVLE	51	33	54.8	54.6	36.7	48.6	923	801	15.3	504	294	71.2
ÖSTERSUND	40	27	46.1	49.9	34.5	44.5	836	718	16.4	417	248	68.3
VÄXJÖ	38	20	94.4	47.8	26.5	80.5	927	817	13.4	443	216	104.7
KALMAR	31	24	30.1	42.1	33.3	26.2	818	702	16.4	344	234	47.0
SÖDERTÄLJE	27	20	34.9	35.3	30.9	14.4	839	669	25.4	296	207	43.5
SWEDEN	4,344	2,507	73.3	39.3	25.2	55.7	963	813	18.4	378	205	84.3

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 APRIL – MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE	SEK	SEK	%-CHANGE
STOCKHOLM	3,511	1,741	101.7	45.1	24.0	87.9	964	790	22.0	435	190	129.3
GOTHENBURG	1,614	846	90.7	48.5	28.3	71.3	1,023	815	25.5	496	230	115.0
MALMÖ	850	488	74.2	46.2	28.2	63.8	828	725	14.2	383	205	87.1
SIGTUNA	453	197	129.5	37.5	18.6	101.6	860	744	15.6	323	138	133.1
SOLNA	316	203	56.0	29.8	25.3	17.5	773	625	23.6	230	158	45.3
JÖNKÖPING	317	214	47.8	47.4	33.3	42.5	930	810	14.8	441	270	63.6
HELSINGBORG	328	219	49.9	47.1	36.1	30.8	938	822	14.1	442	296	49.3
UMEÅ	406	233	74.6	60.4	37.0	63.3	766	707	8.3	463	261	76.9
UPPSALA	313	175	78.9	49.0	30.2	62.3	789	721	9.5	387	218	77.7
LINKÖPING	342	218	57.2	48.9	33.1	47.7	744	709	5.0	364	235	55.1
LUND	259	164	57.6	43.7	33.4	31.0	842	740	13.8	368	247	49.1
KARLSTAD	249	161	54.5	50.5	34.1	48.1	860	741	16.0	434	253	71.8
ÖREBRO	271	187	44.7	51.0	37.2	36.8	912	792	15.2	465	295	57.6
VÄSTERÅS	312	207	50.4	58.9	41.7	41.4	917	879	4.4	541	366	47.6
SUNDSVALL	310	219	41.6	48.6	38.2	27.1	816	762	7.1	396	291	36.1
NORRKÖPING	263	186	41.2	48.7	35.7	36.3	1,042	970	7.4	507	347	46.4
LULEÅ	237	147	61.4	54.4	33.0	64.7	810	726	11.5	441	240	83.7
GOTLAND	264	180	46.9	52.4	38.2	37.2	1,230	1,059	16.1	644	405	59.2
NACKA	179	95	89.3	42.1	30.4	38.4	1,323	1,239	6.8	558	377	47.8
HALMSTAD	244	154	58.6	49.9	39.5	26.6	1,161	1,191	-2.5	580	470	23.4
GÄVLE	236	164	43.8	61.6	44.0	40.2	928	840	10.4	572	369	54.8
ÖSTERSUND	178	113	57.8	53.8	34.1	57.7	828	733	12.9	446	250	78.0
VÄXJÖ	167	106	57.0	51.6	35.2	46.5	899	808	11.3	464	285	63.0
KALMAR	178	130	36.8	57.3	44.9	27.6	946	867	9.1	542	389	39.2
SÖDERTÄLJE	119	81	46.5	41.3	30.0	38.0	802	702	14.4	332	210	57.8
SWEDEN	19,863	12,168	63.2	44.9	29.8	50.9	964	851	13.2	433	253	70.9

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 MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	1,935	956	102.3	49.7	27.3	82.0	994	822	21.0	494	224	120.2
DENMARK	893	235	280.5	53.0	15.0	253.3	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	841	381	120.8	48.0	25.4	89.0	1,072	909	16.0	514	231	119.3
NORWAY	1,308	482	171.5	49.0	24.0	104.2	1,171	900	20.4	574	216	145.8
STOCKHOLM	375	153	145.8	53.1	25.2	110.7	1,048	727	44.1	556	183	203.7
COPENHAGEN	351	91	287.7	50.0	14.0	257.1	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	140	40	246.6	39.8	15.2	161.8	1,033	861	18.2	411	131	209.4
OSLO	251	39	543.5	57.0	15.0	280.0	1,195	743	48.7	681	111	464.9

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 – MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	4,344	2,507	73.3	39.3	25.2	55.7	963	813	18.4	378	205	84.3
DENMARK	1,876	562	233.8	40.1	12.3	225.0	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	1,952	1,111	75.7	39.1	25.7	52.2	1,071	889	18.6	418	228	80.5
NORWAY	2,846	1,409	102.0	37.5	23.2	61.4	1,132	892	17.4	424	207	89.4
STOCKHOLM	822	406	102.3	40.5	23.3	74.2	984	718	37.0	399	167	138.5
COPENHAGEN	753	221	241.3	38.3	12.0	219.0	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	285	132	116.6	28.4	17.2	65.1	1,023	867	16.1	291	149	91.7
OSLO	494	134	267.6	39.0	15.6	150.0	1,132	756	38.3	441	118	245.9

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 APRIL – MARCH

	ROOMS SOLD			OCCUPANCY			ADR			REVPAR		
	2022	2021		2022	2021		2022	2021		2022	2021	
	000s		%-CHANGE	%	%	%-CHANGE	SEK	SEK	%-CHANGE*	SEK	SEK	%-CHANGE*
SWEDEN	19,863	12,168	63.2	44.9	29.8	50.9	964	851	13.2	433	253	70.9
DENMARK	8,779	4,477	96.1	45.1	23.6	90.8	N/A	N/A	N/A	N/A	N/A	N/A
FINLAND	8,405	5,075	65.6	42.6	31.0	37.5	996	868	12.9	424	269	55.2
NORWAY	12,438	8,073	54.1	42.9	32.6	31.7	1,166	965	11.7	500	314	47.1
STOCKHOLM	3,511	1,741	101.7	45.1	24.0	87.9	964	790	22.0	435	190	129.3
COPENHAGEN	3,237	1,260	156.9	41.0	17.1	139.8	N/A	N/A	N/A	N/A	N/A	N/A
HELSINKI	1,382	614	125.0	35.1	22.7	54.7	990	875	11.4	348	199	72.3
OSLO	1,921	973	97.5	43.1	26.0	65.9	1,128	833	25.2	487	217	107.7

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.

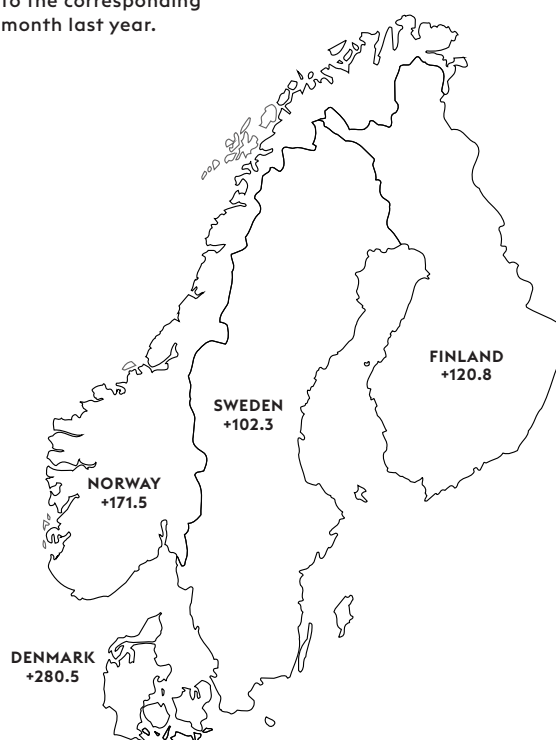
N/A: Not available.

464.9%

INCREASE IN REVPAR
IN OSLO, MARCH 2022

ROOMS SOLD IN THE NORDICS IN MARCH

%-change compared to the corresponding month last year.



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.

CONTACT

Hans Åke Petersson

CEO & Partner

hansake.petersson@annordia.com

+46 70 699 37 51

Björn Arnek

Chief Economist

bjorn.arnek@annordia.com

+46 76 315 84 41



*We'll be back again
in June.*

*Sign up for our newsletter at annordia.com
and you will receive our HMU, Cyclical Barometer and
other information on the Nordic hotel markets -
direct to your inbox.*