

## PRESS RELEASE

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# Scandic enters economy segment – first Scandic Go hotel to open after summer

**The economy segment is the fastest-growing segment in the European hotel industry. To meet the demands of a new generation of hotel guests, Scandic will open its first hotel under its new Scandic Go brand, a smart, sustainable hotel concept at a good price. Scandic Go aims to be the market leader in the economy segment in the Nordic countries and will use the brand to increase its pace of expansion outside the region. The first Scandic Go hotel will open at the beginning of September in Stockholm.**

The economy segment has grown in recent years and it is expected to expand further, driven by changed travel behavior and new financial constraints among many travelers. The segment is not as developed in the Nordic region as in other European countries, accounting for less than 5 percent of the total hotel market compared with 15 percent in the rest of Europe. With Scandic Go, Scandic is now entering this rapidly growing segment with a clear ambition to lead the market.

- The fast-growing economy segment is a fantastic and unique opportunity to further strengthen our portfolio to meet the rapidly evolving demands of a new generation of hotel guests. With Scandic Go, we will secure a leading role in developing the segment in the Nordic countries – and I also see great expansion opportunities outside our Nordic markets, says Jens Mathiesen, President & CEO of Scandic Hotels.

Scandic Go stands for smart accommodation solutions in attractive city locations at a good price. The hotels feature a fresh, welcoming design with a focus on sustainability and offer all the essentials for a smart stay. Instead of full-service restaurants, gyms and meeting facilities, guests will enjoy a more limited but carefully selected offering of meals and beverages, breakfast options and room experiences at a good price.

- With its 270 hotels, Scandic already has a broad offering for the middle and upper-middle segments of the hospitality industry. This is why Scandic Go is the perfect complement to reach a new, more price-conscious target group. I'm convinced that this new brand and initiative will further strengthen our growth potential and I see excellent opportunities to open Scandic Go hotels in about 50 cities in our markets, continues Jens.

With the new Scandic Go configuration, Scandic will introduce more compact rooms and fewer shared spaces than the company's full-service hotels. In addition to conversions, the plan is to primarily grow the brand through new builds and takeovers of existing hotels. Scandic Go is expected to contribute to Scandic's growth by adding between 1,000 and 1,500 contracted rooms per year to the company's portfolio. Scandic aims to lead the market in the economy segment in the Nordic countries and increase the pace of expansion outside of the region.

The Scandic Go brand was first presented in 2020, but rolling out the concept was paused due to the Covid-19 pandemic. Now, work is underway to prepare for the launch after the summer. The first hotel in downtown Stockholm will be in an existing Scandic hotel on Upplandsgatan that will be renovated before opening as the first Scandic Go hotel.

### **For more information, please contact:**

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### **About Scandic Hotels Group**

Scandic is the largest hotel company in the Nordic countries with a network of about 280 hotels and 58,000 hotel rooms in operation and under development at more than 130 destinations. The company is leading the way in integrating sustainability in all areas and its award-winning Design for All concept ensures that Scandic hotels are accessible to everyone. Well loved by guests and employees, the Scandic Friends loyalty program is the largest in the Nordic hotel industry and Scandic is one of the most attractive employers in the region. Scandic is listed on Nasdaq Stockholm. [www.scandichotelsgroup.com](http://www.scandichotelsgroup.com)