

PRESS RELEASE

June 15, 2021

Scandic comments on current market situation and booking trends

Scandic's occupancy rate is expected to amount to at least 35 percent in June and business on the books for July is clearly higher than it was at the same time last year. Scandic expects occupancy in July 2021 to be higher than in July 2020, when it amounted to 42 percent.

Higher occupancy

Since Scandic published its interim report for the first quarter 2021 on April 28, hotel demand has increased in all markets as a result of the gradual easing of restrictions related to the Covid-19 pandemic.

As previously announced, Scandic's occupancy was approximately 20 percent in April. Since then, demand has grown and occupancy was about 25 percent in May and is expected to amount to at least 35 percent in June. The increase has been broad, with higher occupancy at almost all destinations on both weekdays and weekends.

Domestic leisure travel is increasing in all markets. Currently, demand is strongest in the Norwegian market, with occupancy rates of around 40 percent. Scandic's operations in Germany, however, continue to be impacted by low demand.

Demand has increased in all of the Nordic capitals, with the greatest growth in Oslo. Occupancy at Scandic's big city hotels, however, continues to be generally lower than at other locations in the respective markets.

Reduced cash outflow

RevPAR (average revenue per available room) was 173 SEK in April and 229 SEK in May. Compared with the first quarter of the year, RevPAR rose by 18 percent in April and 56 percent in May.

As a result of increased occupancy and RevPAR, Scandic's cash outflow per month has dropped compared with the previous quarter. Scandic continues to estimate that positive cash flow will be achieved at an average occupancy rate of around 50 percent. During the second quarter, Scandic expects to receive direct state aid of at least 200 MSEK.

Improved booking trend

During 2020, Scandic's occupancy rose from just 6-8 percent in April and May to 42 percent in July. The improvement was driven entirely by domestic tourism and occurred despite very limited demand in the capital cities. Although customers are continuing to act with short lead times, it is clear that the business on the books for July is clearly higher than it was at the same time last year. Currently, about 22 percent of Scandic's capacity is booked for July compared to 14 percent at the same time last year. Compared with 2020, the largest rise in booking activity has been seen in the larger cities due to eased restrictions.

Om Scandic Hotels Group

Scandic är det största hotellföretaget i Norden med mer än 280 hotell i drift och under utveckling på över 130 destinationer. Scandic är ledande när det kommer till att integrera hållbarhet inom alla områden och dess prisbelönta koncept inom tillgänglighet säkerställer att Scandic är till för alla. Väl omtyckt av gäster och medarbetare är Scandic Friends Nordens största lojalitetsprogram inom hotellbranschen och företaget en av de mest attraktiva arbetsgivarna i regionen. Scandic är noterat på Nasdaq Stockholm.

In light of the improved booking situation, Scandic expects occupancy in July 2021 to be higher than in July 2020, when it amounted to 42 percent.

Scandic's half-year report will be published at 07:30 CET on July 16.

Presentation on June 15 at 09.00 CET

Scandic's President & CEO Jens Mathiesen and CFO Jan Johansson will comment on the current market situation and booking trend in a live webcast and telephone conference at 09:00 on June 15.

To participate by phone, call +46 850 558 354 in Sweden or +44 333 3009 272 in the UK.

Please call in five minutes before the start. The presentation will be held in English.

You can view the webcast at www.scandichotelsgroup.com. Presentation slides will be available on the website.

For more information, please contact:

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This information is information that Scandic Hotels Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 07:30 CET on June 15, 2021.

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