

Positive Developments in Reato Group's First Hotels and First Operations Lund - Occupancy, Pricing, and Financials

Reato Group AB announces the recent performance of First Hotels and First Operations Lund in terms of occupancy, pricing, and overall business development.

First Hotels occupancy

In November, the occupancy level remains comparable to the same period last year. From August to October, there was a slight decrease of 2 percent compared to the corresponding period in the previous year, primarily due to lower demand. However, when considering the broader context, there has been a significant overall increase in occupancy. The average increase during the same periods in 2021 is 11 percent, and an impressive 65.5 percent compared to the year 2020.

To measure occupancy, the company uses the alternative key figure OCC (Occupancy).

Development Occupancy (OCC)	OCC compared to the same month in 2022	OCC compared to the same month in 2021	OCC compared to the same month in 2020
November 2023	+0%	+2%	+90%
October 2023	-2%	+5%	+40%
September 2023	-2%	+22%	+54%
August 2023	-2%	+14%	+78%

First Operations Lund Occupancy

In November, the occupancy shows a commendable increase of 10 percent compared to the same period last year. However, there was a temporary decline of 13 percent in October, attributed to technical challenges during a system change related to the business takeover. Despite this, overall hotel bookings and business have seen substantial growth in October and November, with increases of 17 percent and 53 percent compared to the same period last year and impressive growth of 23 percent and 204 percent compared to the same periods in 2021 and 2020, respectively.

To measure occupancy, the company uses the alternative key figure OCC (Occupancy).

Development Occupancy (OCC)	OCC compared to the same month in 2022	OCC compared to the same month in 2021	OCC compared to the same month in 2020
November 2023	+10%	+53%	+204%
October 2023	-13%	+17%	+23%

First Hotels Average Price

We are pleased to report a continual increase in average prices at First Hotels, attributed to robust demand and industry inflation. The Average Daily Rate (ADR) now surpasses pre-pandemic levels. From August to November, there is an average increase of 2 percent compared to the same period last year, and notably, a remarkable increase of 24 percent during the same period in 2021 and 44 percent compared to 2020. Overall, there has been a positive price trend for the First Hotels Group compared with previous years.

The company measures the average price using the alternative key figure ADR, which stands for Average Daily Rate, which refers to the average price that a hotel guest pays per night per room.

Development average price (ADR)	ADR compared to same month in 2022	ADR compared to same month in 2021	ADR compared to same month in 2020
November 2023	+1%	+16%	+52%
October 2023	+3%	+23%	+37%
September 2023	+7%	+31%	+44%
August 2023	-3%	+25%	+42%

First Operations Lund Average Price

Similar positive effects are observed in average prices for hotel operations, with increases of 6 percent and 5 percent in October and November, respectively, compared to the same period last year. Moreover, impressive growth of 22 percent and 20 percent is noted during October and November when compared to the corresponding periods in 2021, along with a significant 20 percent increase compared to the same periods in 2020.

Development Occupancy (OCC)	OCC compared to the same month in 2022	OCC compared to the same month in 2021	OCC compared to the same month in 2020
November 2023	+5%	+20%	+20%
October 2023	+6%	+22%	+20%

The company measures the average price using the alternative key figure ADR, which stands for Average Daily Rate, which refers to the average price that a hotel guest pays per night per room.

First Hotels RevPAR

RevPAR (revenue per available room) is a key metric in the hotel industry and an important metric for First Hotels. The summary below shows that the development of average revenue per available room (RevPAR) that the hotel receives has increased by an average of 1 percent from August to November, reflecting positive trends compared to the pandemic years of 2021 and 2020.

Development Revenue Per Available Room (RevPAR)	RevPAR compared to same month in 2022	RevPAR compared to same month in 2021	RevPAR compared to same month in 2020
November 2023	+1%	+19%	+190%
October 2023	+1%	+29%	+91%
September 2023	+5%	+61%	+122%
August 2023	-4%	+43%	+153%

First Operations Lund RevPAR

In October, there was an 8 percent decrease in RevPAR due to technical challenges related to a system shift. However, November shows a significant increase of 15 percent, attributed to measures taken in line with the mentioned key figure.

The trajectory concerning the years impacted by the pandemic, namely 2021 and 2020, also exhibits a highly favorable outlook.

Development Revenue Per Available Room (RevPAR)	RevPAR compared to same month in 2022	RevPAR compared to same month in 2021	RevPAR compared to same month in 2020
November 2023	+15%	+83%	+265%

October 2023	-8%	+43%	+47%
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First Operations Lund Net Sales

Total net sales: For October 2023, revenue reached SEK 3,386,706, a 6 percent decrease compared to the same month last year. In November, the company reported a turnover of SEK 4,192,488, an 18 percent increase compared to the same period last year.

Development in net sales	Revenue compared to the same month in 2022	Revenue compared to the same month in 2021	Revenue compared to the same month in 2020
November 2023	+18%	+78%	+249%
October 2023	-6%	+38%	+40%

We look forward to consistently providing delightful hotel experiences for our guests and furthering the success of our business.

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About Reato Group

Reato Group AB (publ) is an independent company listed on Nasdaq First North in Sweden (Ticker: REATO), providing franchise rights and marketing services to hotels affiliated with the 'First Hotels' chain. There are 57 First Hotels in total, with 32 located in Sweden, 5 in Norway, and 20 in Denmark. The company's headquarters is situated in Stockholm. Mangold Fondkommission, phone +46 8 503 01 550, serves as the Company's Certified Adviser. For more information, please visit www.reatogroup.com.

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Attachments

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