

Stefan Sjöstrand, CEO SkiStar AB

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SKISTAR OPENS THE WINTER SEASON WITH A FOCUS ON SAFETY AND SECURITY – NORWEGIAN MARKET A CHALLENGE WITH CURRENT QUARANTINE RULES

Interim Report

September 2020-November 2020

Comments from the CEO Stefan Sjöstrand:

The coronavirus pandemic continued to affect our operations in the first quarter 2020/21, and the process of Covid-proofing our destinations continued throughout the autumn. SkiStar is introducing a range of precautionary measures to ensure the safety and security of our guests and employees. We feel well prepared, having maintained a close dialogue with local and national healthcare and rescue services at our ski resorts and with the industry through the destination companies and skiing associations in Sweden and Norway.

The operational focus at the start of the financial year was accompanied by an additional focus on costs and efficiency, enabling us to deliver an operating loss of SEK -293 million for the first quarter of 2020/21, an improvement of SEK 33 million compared with the previous year. This is despite a later start to the season, with lower pre-season revenue than in the

previous year.

We saw very strong demand for several of our products, including accommodation, SkiPass, ski rental and ski school, in the early autumn, with many people keen to secure a holiday in the mountains this winter. When the Year-End Report was issued on 1 October 2020, the booking situation was +10% compared with previous year. Stricter entry rules for travel between Norway and Denmark, and Norway and Sweden have resulted in some people holding back from making bookings, with a decline in the number of guests in the period ahead, notably the Christmas and New Year holidays. Demand in Sweden remains strong, with domestic demand at +8% compared with previous year, while we see a challenge with the number of guests and bookings in the Norwegian market under the current quarantine rules. Obviously, this is making it more difficult for foreign guests to visit the Norwegian ski resorts in the short term. We are therefore losing heavily on bookings in Norway. Our total bookings for all destinations up to and including 7 December are -16% compared with previous year. In response to the situation, SkiStar is carrying out significant marketing in Norway to attract Norwegian guests to our destinations. Overall, we see good demand for all destinations throughout the season, with 80% of last season's accommodation volume already booked. This shows that the trend towards "staycations" in the Scandinavian mountains is still strong and that many people enjoy alpine skiing and spending time outdoors on the ski slopes with family and friends with an emphasis on well-being and health. Last season was cut short when we were forced to close early due to the pandemic, but we expect a long season this year as the keen interest in skiing continues. All destinations in Sweden and Norway will be opened from weeks 50 and 51. Following a government decision, SkiStar in St. Johann in Austria has decided to open its lifts on 24 December.

Despite a later start to the winter season, we showed strong growth of +18% in our sports shop sales during the first quarter compared with the previous year. The growth was primarily driven by skistarshop.com, with an increase of 34% compared with the previous year.

We reported lower capital gains on our property development and exploitation activities, which were SEK 12 million, compared with SEK 24 million in the previous year, although this is an effect of project timing. We see continuing strong demand for land, apartments and Vacation Club shares at our destinations.

Construction of SkiStar Lodge Hundfjället is progressing according to plan, ready for the opening of the 2021/22 winter season.

We look forward with confidence to a good, long winter season at our six destinations. This year, we see outdoor activities in the fresh air being more appreciated and more important than ever in these unusual times.

Stefan Sjöstrand

Chief Executive Officer

First quarter

- Net sales for the first quarter were SEK 154 (121) million, an increase of SEK 33 million (27 percent) compared with the previous year.
- Profit before tax for the first quarter was SEK -307 (-322) million, an improvement with SEK 15 million (5 percent) compared with the previous year.
- Loss after tax for the first quarter was SEK -251 (-245) million, a decline of SEK 6 million (2 percent) compared with the previous year.
- Earnings per share amounted to SEK -3.12 (-3.03), a decline of 1 percent.

Significant events

- All of SkiStar's Scandinavian destinations will be opened from weeks 50/51.

This information is information that SkiStar AB is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact persons set out below, at 17 December 2020, 07.30 a.m. CET.

Further information can be reached from:

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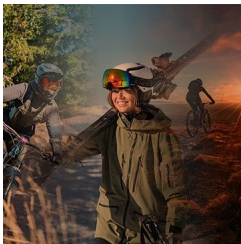
Anders Örnulf, CFO, tel +46 (0)280 841 60.

SkiStar in brief:

SkiStar AB (publ.) is listed on the Nasdaq Stockholm stock exchange, Mid Cap segment. The group owns and operates ski resorts in Sälen, Åre, Vemdalen, and Hammarbybacken (Stockholm) in Sweden, Hemsedal and Trysil in Norway, and St Johann in Tirol in Austria. Market share is 53% in Sweden, 29% in Norway and a total of 43% in Scandinavia. Our core business is alpine skiing, and our main focus is the overall ski experience of our guests. The business is divided into three segments; Ski resorts – Operation, Infrastructure and Development.

Images and videos in SkiStar's Newsroom can be freely used along with information about SkiStar and/or SkiStar's destinations and products.

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