

PRESS RELEASE**Hoist Group announces Q1 2020 results in line with expectations and prepares confidently for the Hospitality market re-opening and recovery**

Stockholm, May 29th 2020

Hoist Group, the pan-European leader in the provision of technology solutions for the hotel industry, announced today its Q1 2020 results. Revenues and gross profit grew by 4% year-on-year and EBITDA reached 31M SEK, a 30% increase on the previous year, thanks to business growth, the efforts made by the staff and OPEX cost control. This outcome is aligned with the Company's budget.

Hoist Group has a risk-mitigated business approach and a geographically diversified portfolio of services, systems and products. Ten different countries each contribute at least 5% of turnover, which is originated in five separate product lines (Internet Access, TV Systems, Property Management Software, Guest Content, Locks & Equipment). Over the last twelve months, Hoist Group has collected 41% of its revenues from recurring services, providing for 58% of its total gross profit.

Nevertheless, the COVID-19 outbreak has heavily impacted the hospitality industry, causing 75% of hotels in EMEA to be temporarily closed. Market expectations are for a gradual re-openings of hotels from now until the end of August. Based on trends from China, which is ahead of Europe in the COVID-19 evolution, hotel occupancy rates in Europe are expected to recover to 50% by the end of September. Hoist Group, therefore, expects a slow Q2 in terms of new sales, a ramp-up in Q3 and a strong Q4, although still below last year's activity level.

This forecast, together with a series of cost-containment measures should allow Hoist Group to post an acceptable EBITDA for the full year 2020, furthermore, the Company does not expect to need additional cash injections other than to support any opportunistic acquisition opportunities. Such outcome is made possible through the Company's strong diversification, its recurring revenue base and Hoist's employee solidarity: all of its staff have taken an immediate pay-cut via work-time adjustments and voluntary salary reductions.

Moreover, Hoist Group is confident of a good commercial re-bounce from Q3 thanks to its large product portfolio, which has many "social distancing enabling" features (remote check-ins, mobile keys, staff task software, guest messaging, guest content, etc.) and the launch for all of Hoist Group's offering of a subscription business model, reducing initial investment barriers for hoteliers.



Hoist Group has already demonstrated its continued market proximity by making its Givito gift card solution (both eVouchers and physical cards) available for free to hoteliers until the end of 2020, allowing them to improve their cash position and enabling guests to invest in their local hotel community. Givito was launched on April 1st and has been well received by customers.

Finally, Hoist Group remains on the look-out for M&A consolidation opportunities that could strengthen certain of its markets or some of its product lines. The Company is taking an opportunistic approach to the cases being presented to it. Hoist Group is convinced that the COVID-19 crisis will eventually further strengthen the Company's position as the undisputed market leader in EMEA.

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About Hoist Group

Hoist Group provides technology solutions to hotels, enabling hoteliers to manage coherent end-to-end digital journeys for their customers. Hoist Group optimizes guest services by correlating and analyzing the data that comes from its innovative Property Management & Booking Software, Managed IP Networks, Internet and TV Content as well as from many other digital touchpoints. Headquartered in Stockholm with 20 offices across EMEA, Hoist Group is nearly 500 dedicated staff serving over 5,000 unique hotels.

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