

Press release, 3 April 2014.

Hoist Technology and Locatel merge – Creating the largest hospitality supplier in the European market

The Swedish hotel supplier Hoist Technology and the French hotel and healthcare solutions supplier Locatel have entered into an agreement to merge to create the largest hospitality supplier on the European market. The company will cover 14 countries in Europe and the Middle East and in addition several markets directly or via distributors. The formal date of the merger is 8 April when the companies will become HoistLocatel. The merger has evolved through the business alliance that the parties formed in 2012.

“After over a year of successful partnership with Locatel, this is a natural step that will benefit our customers across Europe,” says Malcolm Lindblom, CEO of Hoist Technology. “Our goal is to service all sizes of hotels, both independently operated and chains, with the most advanced systems to support each customer’s profitability. Future products will require strong suppliers who can afford to further develop their products and support their customers over time.”

Today Hoist Technology holds a strong position as a supplier for both independently operated hotels and hotel chains in the middle market, from 2-4 stars, whereas Locatel is well established within the segment of mid-market towards high end, with 4-5 stars. This combination will make HoistLocatel a strong supplier for all segments.

Hoist Technology and Locatel formed a business alliance in 2012, successfully marketing many of the products across their markets. The merger will add more benefits for the companies and their customers. The main drivers for the merger are:

- Broader one-stop-shop product and service offering on all markets to all hotel categories and a solid offer to hospitals in the Nordic countries.
- Strengthened product development as two distinguished development teams join forces.
- Gaining critical mass in a number of countries.

HoistLocatel will be able to run the operation more cost efficiently and at the same time have increased resources for product development. Improved cost efficiency is a must in order to be able to offer better products at a lower cost. This is achieved through increased scalability, which can be difficult to manage for smaller suppliers.

“A significant feature of our companies is that the staffs on both sides are extremely dedicated to the industry, with extensive understanding of how our customers’ operations may profit from using our system solutions,” says Pierre Lestage, Locatel CEO. “Our aim is to provide complete solutions that will increase our clients’ profitability. As a full-service provider we have staff to handle every part of a business deal, from marketing and sales to installation and support and this is our clients’ guarantee for a safe and long-term investment.”

Hoist Technology has had significant sales growth over the past ten years partially due to its strategic three-year growth plans. HoistLocatel will continue to follow the same strategy to be able to develop and provide European hotels with state-of-the-art systems solutions.

HoistLocatel will be based in Sweden with its headquarters in Stockholm and Malcolm Lindblom will be the CEO. Pierre Lestage will continue a Senior Advisor in HoistLocatel and remain on the board to ensure continuity and support of the merger. The company will cover a large part of Europe, enabling European hotel chains to use the same supplier across all their markets. HoistLocatel will also be established in the Middle East and have resellers across the globe.

HoistLocatel will be a full service provider with an offer including systems solutions and products, installation, service and support, hosting and IT services and financing solutions. The company's main customer segment will be the hospitality industry and in addition HoistLocatel will provide convergent IT solutions for the health care and public operations.

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About HoistLocatel

HoistLocatel develops and supplies systems, products and services to independently operated hotels and hotel chains, health care institutions and public operations in the European market and in the Middle East. The company's business concept is to offer complete solutions and systems, products and services that increase profitability for its customers. HoistLocatel is the result of the merger between Hoist Technology, founded in 1994, and Locatel, founded in 1962. The company is based in Sweden (HQ) and covers 14 countries in Europe and the Middle East. In addition, HoistLocatel has a purchasing office in China and is represented by distributors in Europe, Africa, Asia, the Middle East and South America. HoistLocatel has annual sales of around EUR 100 million with some 500 employees.

HoistLocatel's Business Concept

“Through our industry expertise and our innovative and dedicated approach, we will offer complete solutions and systems, products and services that increase profitability for hotels, health care and public operations.”