

Press release

Stockholm, March 12, 2015

Hoist Finance publishes its prospectus and announces the price range for its initial public offering and listing on Nasdaq Stockholm

Hoist Finance AB (publ) ("Hoist Finance" or the "Company") announced on February 26, 2015 its intention to launch an initial public offering and listing of its shares on Nasdaq Stockholm. The Company now publishes its prospectus and hereby announces the price range for the initial public offering (the "Offering").

Hoist Finance is a leading debt restructuring partner to international banks, with debt purchase and debt collection activities in eight countries across Europe and retail deposit operations in Sweden. The Company specializes in the purchase and management of unsecured non-performing consumer loans originated by international banks and other financial institutions.

The Offering in brief

- The offer price (the "Offer Price") will be established within the range of SEK 50.0 to SEK 60.0 per share. The Offer Price per share is expected to be announced on or about March 25, 2015.
- The Company and the Selling Shareholders are offering between 38,953,976 and 40,725,246 ordinary shares of the Company in the Offering, of which the Company is offering between 12,500,000 and 15,000,000 new shares in such amount as will raise gross proceeds of SEK 750 million, and Beagle Investments S.A., Olympus Investment S.à r.l, Costas Thoupos and funds managed by Toscafund Asset Management LLP (collectively the "Selling Shareholders") are offering between 25,725,246 and 26,453,976 existing shares excluding the Upsize Option and Over-allotment Option as defined below.
- In the event of sufficient demand, certain Selling Shareholders have been granted an option to increase the number of shares offered by a total maximum of 4,787,058 existing shares (the "Upsize Option").
- The Selling Shareholders have granted Carnegie Investment Bank AB ("Carnegie"), Morgan Stanley & Co. International plc ("Morgan Stanley") and Citigroup Global Markets Limited ("Citigroup") the option to purchase up to 6,826,844 additional shares at the Offer Price to cover potential over-allotments, if any, in connection with the Offering (the "Over-allotment Option").
- The market capitalization of the Company's ordinary shares at the Offer Price will amount to a minimum of approximately SEK 4,030 million and a maximum of approximately SEK 4,686 million. The total value of the Offering will amount to a minimum of approximately SEK 2,036 million, and a maximum of approximately SEK 3,011 million assuming full exercise of the Upsize Option and the Over-allotment Option.
- Leading institutional investors Carve Capital AB, Lancelot Asset Management AB on behalf of the fund Lancelot Avalon and discretionary mandates, and Zenit Asset Management AB have made firm commitments, subject to certain conditions, to subscribe in the Offering throughout the Offer Price range for 9%, 5% and 4% of the shares outstanding following the Offering, respectively. Furthermore, funds managed by Toscafund Asset Management LLP intend to be net buyers of shares in the Offering.
- The Company's CEO, Jörgen Olsson, has, via Deciso AB, committed to subscribe throughout the Offer Price range for existing shares for a total consideration of SEK 10 million.
- The Offering is being made to the general public in Sweden as well as to qualifying institutional investors internationally.

Jörgen Olsson, CEO of Hoist Finance comments:

“We have during recent years taken firm steps towards our vision – to become the leading debt restructuring partner to international banks and financial institutions across Europe. The volume of non-performing loans sold has grown significantly in recent years, and we expect the market to continue to grow, driven by several strong underlying trends, including new banking regulation, the large stock of non-performing loans accumulated on the balance sheets of European banks and a secular trend towards outsourcing of non-core activities. We are convinced that as a result of our scale, reputation, strong client relationships and solid financial position, we will be able to capitalize on the portfolio volumes that we anticipate will be offered to the market in the years to come, and a listing of the Company’s shares is therefore a natural next step.”

Ingrid Bonde, Chairman of Hoist Finance’s Board of Directors comments:

“Hoist Finance’s position as a leading debt restructuring partner to international banks and financial institutions across Europe rests on long-term relationships, an amicable settlement model built on mutual agreement with debtors, and its longstanding experience from operating in a regulated market. The listing supports our growth strategy through improving access to the capital markets and broadening the shareholder base of Swedish and international investors.”

Background and reasons for the Offering and use of proceeds

After many years under private ownership, during which time Hoist Finance’s business model has been further developed and its operations have grown substantially, the Company’s shareholders and Board of Directors believe that it is now an appropriate time to broaden its shareholder base and to apply for the listing of the Company’s shares on Nasdaq Stockholm.

The Offering is expected to support Hoist Finance’s future growth and operational strategy and provide the Company with improved access to capital markets and a diversified base of new Swedish and international shareholders. The Company also expects that the listing of its Shares on Nasdaq Stockholm will increase the public profile of the Company and its business. Hoist Finance believe that these factors will further enhance its competitive position in relation to debt originators selling debt portfolios as well as to the general public using the Company’s savings products, and Hoist Finance believe that these factors provide the appropriate platform for its future development.

In order to further strengthen its capital base and achieve the flexibility to generate continued growth through purchases of NPL portfolios, Hoist Finance expect to issue and sell new shares in the Offering. The Company expect to receive net proceeds from its sale of new shares of approximately SEK 675 million, after deducting transaction costs related to the Offering, including commissions and fees (fixed and discretionary) payable by the Company to the Joint Global Coordinators and Joint Bookrunners and other advisors, which are estimated to amount to approximately SEK 75 million. Adjusted for the proceeds received from its sale of new shares, its CET 1 ratio as of December 31, 2014 would have increased from 9.4% to 15.3%¹. Hoist Finance expects to use the net proceeds from its sale of new shares to purchase additional debt portfolios in accordance with its business plan. In the short term, until the Company identifies attractive portfolio opportunities, it expects to invest the net proceeds primarily in interest bearing securities with a credit rating of at least A- and limited exchange rate risk.

The Offering²

The Offering comprises between 38,953,976 and 40,725,246 ordinary shares offered by Hoist Finance and the Selling Shareholders, of which Hoist Finance is offering between 12,500,000 and 15,000,000 new shares in such amount as will raise gross proceeds of SEK 750 million, and the Selling Shareholders are offering between 25,725,246 and 26,453,976 existing shares excluding the Upsize Option and Over-allotment Option.

In the event of sufficient demand, certain Selling Shareholders have been granted an option to increase the number of shares offered by a maximum of 4,787,058 existing shares.

The Selling Shareholders have granted the Joint Global Coordinators and Joint Bookrunners an option to purchase up to 6,826,844 additional shares of the Company at the Offer Price to cover potential over-allotments, if any, in connection

¹Including the SEK 414 million net paid-up capital from the new ordinary shares issued for cash in May and December 2014, respectively

²Please refer to the prospectus for further details regarding the Offering.

with the Offering. The Over-allotment Option is exercisable, in whole or in part, during a period of 30 days starting from the first day of listing of the shares on Nasdaq Stockholm.

The Offer Price will be determined through a book-building process, and will consequently be based on demand and prevailing market conditions. Hoist Finance and the Selling Shareholders, in consultation with the Joint Global Coordinators and Joint Bookrunners, will determine the final Offer Price within a range of SEK 50.0 to SEK 60.0 per share. The final Offer Price will be announced publicly on or about March 25, 2015. The first day of trading in the shares is expected to be on or about March 25, 2015.

Leading institutional investors Carve Capital AB, Lancelot Asset Management AB on behalf of the fund Lancelot Avalon and discretionary mandates, and Zenit Asset Management AB have made firm commitments, subject to certain conditions, to subscribe in the Offering throughout the Offer Price range for 9%, 5% and 4% of the shares outstanding following the Offering, respectively. Furthermore, funds managed by Toscafund Asset Management LLP intend to be net buyers of shares in the Offering. In addition, the Company's CEO, Jörgen Olsson, has committed via Deciso AB to subscribe throughout the Offer Price range for existing shares for a total consideration of SEK 10 million. Following the Offering, Jörgen Olsson will hold approximately 6% of the ordinary shares outstanding.

The Company will not receive any proceeds from any sale of existing shares by the Selling Shareholders.

The trading symbol of the Company's shares on Nasdaq Stockholm will be "HOFI".

Prospectus and application form

The prospectus and application form in Swedish will be made available at Hoist Finance's webpage (www.hoistfinance.com) and Carnegie's webpage (www.carnegie.se).

Indicative timetable

Application period (offer to the general public in Sweden)	March 13 – 23, 2015
Application period (offer to institutional investors)	March 13 – 24, 2015
First day of trading on Nasdaq Stockholm	March 25, 2015
Settlement date	March 27, 2015

Offering advisors

Carnegie and Morgan Stanley are acting as Joint Global Coordinators and Joint Bookrunners in the IPO and Citigroup is acting as Joint Bookrunner. Latham & Watkins (London) LLP and Hannes Snellman Attorneys Ltd are legal advisors to the Company. Davis Polk & Wardwell London LLP and Gernandt & Danielsson Advokatbyrå KB are legal advisors to the Joint Global Coordinators and Joint Bookrunners.

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About Hoist Finance

Hoist Finance is a leading debt restructuring partner specializing in the purchase and management of unsecured non-performing consumer loans originated by international banks and other financial institutions. The Company primarily operates through in-house collection centers across Europe, which are complemented, where appropriate, by carefully selected local external debt servicing partners. The total carrying value of Hoist Finance's acquired loans was approximately SEK 8.6 billion³ as of 31 December 2014.

Hoist Kredit AB (publ), a wholly-owned subsidiary of Hoist Finance, is a regulated "Credit Market Company" under the supervision of the Swedish Financial Supervisory Authority (Swe. *Finansinspektionen*), which enables Hoist Finance to primarily finance itself through a retail deposit platform (HoistSpar) in Sweden. In addition, Hoist Finance utilizes the public capital markets to raise long-term debt and has three outstanding series of notes issued by Hoist Kredit AB (publ) listed on Nasdaq Stockholm.

Hoist Finance's key strengths and strategic priorities

- A leading debt restructuring partner to international banks with a diversified origination network
- Pan-European platform providing diversified geographical risk and scale benefits
- Deep knowledge of operating in a regulated market and status as "Credit Market Company" are key differentiating factors
- Amicable collection model built on mutual agreements with debtors
- Extensive Data Warehouse and disciplined investment process
- Efficient and diversified funding model

Hoist Finance believes there are significant growth opportunities in the markets where it currently operates. In addition, the Company is constantly evaluating new market entry positions according to their underlying characteristics and strategic fit with the Company's growth plans. As a result of its scale, reputation, long-term client relationships and solid financial position, the Company believes that it will be able to capitalize on the portfolio volumes that are anticipated to be offered to the market over the next several years. Hoist Finance aims to continue to strengthen its position as a leading debt restructuring partner to international banks, and has, based on this goal, developed a core strategy underpinned by the following pillars:

- Strengthen and expand in current markets, and grow in select new markets
- Maintain investment discipline and focus on core assets
- Build upon status as a regulated credit institution
- Develop collection strategies with emphasis on in-house collection
- Leverage existing benefits of scale
- Maintain and develop the unique funding base and leverage on solid capital and liquidity positions

³ Excluding run-off consumer loan portfolio and shares and participation in joint venture.

The information above has been published pursuant to the Swedish Securities Markets Act (*Swe. lag om värdepappersmarknaden*) and Swedish Financial Instruments Trading Act (*Swe. lagen om handel med finansiella instrument*).

This information was released for publication at 20.30 CET on March 12, 2015.

This announcement is not an offer to sell or a solicitation of any offer to buy any securities issued by Hoist Finance AB (publ) (the "Company") in any jurisdiction where such offer or sale would be unlawful.

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Any offering of the securities referred to in this communication will be made by means of a prospectus that may be obtained from the Company and that will contain detailed information about the Company and management, as well as financial statements. This communication is an advertisement and not a prospectus for the purposes of the Prospectus Directive. Investors should not subscribe for any securities referred to in this communication except on the basis of information contained in a prospectus.

Forward-Looking Statements

Matters discussed in this communication may constitute forward-looking statements. Forward-looking statements are statements that are not historical facts and may be identified by words such as "believe," "expect," "anticipate," "intend," "may," "plan," "estimate," "will," "should," "could," "aim" or "might," or, in each case, their negative, or similar expressions. The forward-looking statements in this release are based upon various assumptions, many of which are based, in turn, upon further assumptions. Although the Company believes that the expectations reflected in these forward-looking statements are reasonable, it can give no assurances that they will materialize or prove to be correct. Because these statements are based on assumptions or estimates and are subject to risks and uncertainties, the actual results or outcome could differ materially from those set out in the forward-looking statements as a result of many factors. Such risks, uncertainties, contingencies and other important factors could cause actual events to differ materially from the expectations expressed or implied in this release by such forward-looking statements. The Company does not guarantee that the assumptions underlying the forward-looking statements in this presentation are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or any obligation to update or revise the statements in this presentation to reflect subsequent events. Undue reliance should not be placed on the forward-looking statements in this document.

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