

Hoist Kredit considers issuance of new Tier 2 debt and announces tender offer and consent solicitation

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Hoist Kredit, a fully-owned subsidiary of Hoist Finance AB (publ), considers issuance of new subordinated euro-denominated notes, announces a tender offer and consent solicitation for its outstanding SEK 350m fixed term subordinated loan notes due 2023, and a conditional redemption of its EUR 100m senior unsecured notes due 2017

Hoist Kredit AB (publ) (Ba1/stable) (the **"Company"**), a fully-owned subsidiary of Hoist Finance AB (publ), today announces that it is inviting the holders of its outstanding SEK 350,000,000 fixed term subordinated loan notes due 2023 (ISIN SE0005280591) (the **"Notes"**) to tender any and all such Notes for purchase by the Company for cash, subject to the terms and conditions described in the Consent Solicitation and Tender Offer Memorandum (as defined below) (the **"Tender Offer"**).

At the same time, the Company also announces that it is soliciting consent from holders of the Notes to approve certain modifications to the terms and conditions of the Notes (the **"Consent Solicitation"**) to allow the Company, at its option, to redeem the Notes through an extraordinary early redemption as more fully described in the Consent Solicitation and Tender Offer Memorandum (as defined below).

The Tender Offer and the Consent Solicitation are made on the terms and conditions, and subject to the offer and distribution restrictions, described in the consent solicitation and tender offer memorandum dated 27 April 2017 (the **"Consent Solicitation and Tender Offer Memorandum"**).

Subject to market conditions, the Company may issue new subordinated euro-denominated Tier 2 notes under its EMTN-programme (the **"New Notes"**). The Company has mandated Deutsche Bank and Nordea Markets to arrange investor meetings in respect of the issuance of the New Notes.

The Company has today sent out a notice of voluntary redemption to holders of the up to EUR 100,000,000 senior unsecured floating rate notes (ISIN SE0006287827) (the **"Senior Notes"**) (of which EUR 28,400,00 are outstanding) to make an early redemption of the Senior Notes in accordance with the terms and conditions dated 22 September (as amended and restated on 28 July 2016) (the **"Terms and Conditions"**) at a price equal to 100.00 per cent. of the nominal amount together with accrued and unpaid interest. The Senior Notes will be redeemed on 2 June 2017 and the Record Date for being entitled to receive early redemption payment will be on 26 May 2017. The redemption is subject to the consummation of the issuance of the New Notes.

Tender Offer regarding the Company's outstanding Notes

The Company invites all holders to tender their Notes for purchase by the Company for cash, pursuant to which the Company offers to pay a cash purchase price for Notes validly tendered equal to 114.500 per cent. of the nominal amount of each Note (the **"Tender Consideration"**). A holder who validly tenders its Notes pursuant to the Tender Offer will be deemed to have delivered its consent to the Proposal with respect to such validly tendered Notes. The Tender Consideration is inclusive of any Early Consent Fee (as defined below), and hence a holder who validly tenders its Notes pursuant to the Tender Offer will not be eligible to receive any Early Consent Fee (as defined below) in addition to the Tender Consideration. Accrued and unpaid interest on the Notes will be paid from (but excluding) the immediately preceding interest payment date for the Notes to (and including) the settlement date.

The Tender Offer will remain open until 05:00 p.m. CET on 10 May 2017, and the expected settlement date for the repurchase of validly tendered Notes in the Tender Offer is 23 May 2017.

Whether the Company will accept for repurchase Notes validly tendered in the Tender Offer is subject to the passing of the Extraordinary Resolution as well as the successful completion (in the determination of the Company) of the issue by the Company of New Notes, on terms satisfactory to the Company, in order to enable it to finance the Tender Consideration for the Notes validly tendered in the Tender Offer. The Company retains the right, in its sole discretion, to waive any conditions.

Tender instructions must be submitted in respect of a minimum nominal amount of Notes of no less than SEK 1,000,000, and may be submitted in integral multiples of SEK 1,000,000 thereafter. Tender and Voting Instructions submitted in denominations other than SEK 1,000,000 will not be eligible for participation in the Tender Offer.

Consent solicitation to holders of the Company's outstanding Notes

Concurrently, the Company today announces that it is soliciting consents from holders of its outstanding Notes to amend certain provisions of the terms and conditions governing the Notes (the **"Proposal"**). The purpose of the Proposal is to insert an option for the Company to carry out an extraordinary early redemption of the Notes in the terms and conditions. Pursuant to such extraordinary early redemption option, the Company may redeem the Notes at an early redemption price of 112.000 per cent. of the nominal amount (together with accrued and unpaid interest) of each Notes, assuming that the redemption of the Notes occurs before 16 June 2017. If the redemption of the Notes occurs on or after 16 June 2017, the early redemption price will step down as described in the Consent Solicitation and Tender Offer Memorandum.

A holder who delivers a valid voting instruction in favour of the Proposal before 05:00 p.m. CET on 10 May 2017 may be eligible to receive a fee of 2.500 per cent of the nominal amount of the Notes (the “**Early Consent Fee**”). The payment of the Early Consent Fee is conditioned upon the extraordinary early redemption being carried out in accordance with the extraordinary early redemption option proposed to be inserted in the terms and conditions of the Notes. The Company will have no obligation to carry out the extraordinary early redemption.

The meeting of holders of the Notes to consider the Proposal will be held at the offices of Nordea at Smålandsgatan 15, 105 71 Stockholm, Sweden, and will take place at 09:00 a.m. CET on 16 May 2017. In order for the Proposal to be passed at the noteholders’ meeting, a quorum of noteholders representing in aggregate at least 25 per cent. of the aggregate outstanding nominal amount of the Notes and a qualified majority of at least 75 per cent. of the votes cast at the Meeting must be met. Holders may cast a vote at the noteholders’ meetings by participating in person or via representation by proxy.

Noteholders that wish to tender their Notes or be eligible to receive the Early Consent Fee should not participate in person or via representation by proxy at the noteholders’ meeting, but should instead use the tender and voting instruction form or consent voting instruction form (but not both) annexed to the Consent Solicitation and Tender Offer Memorandum.

Holders of the Notes are advised to read carefully the Consent Solicitation and Tender Offer Memorandum for full details of and information on the procedures for participating in the Tender Offer and the Consent Solicitation. This press release is for information purposes only and is not an offer to sell or a solicitation of an offer to buy any security, nor is it a tender offer with respect to any Notes. The Tender Offer and the Consent Solicitation are being made solely pursuant to the Consent Solicitation and Tender Offer Memorandum. If any holder of Notes is in any doubt as to the contents of this press release, the information contained in the Consent Solicitation and Tender Offer Memorandum or the action it should take, such noteholder should seek its own financial and legal advice, including in respect of any tax consequences, immediately from its broker, bank manager, solicitor, accountant or other independent financial, tax or legal adviser.

To receive copies of the Consent Solicitation and Tender Offer Memorandum, please contact the Tender Agent, and for questions relating to the Tender Offer or the Consent Solicitation, please contact the Dealer Managers and Solicitation Agents (contact details are set out below). Any individual or company whose Notes are held by a nominee must contact such nominee to participate in the Tender Offer or the Consent Solicitation.

Dealer Managers and Solicitation Agents:

Deutsche Bank AG, London Branch: +44 20 7545 8011, liability.management@db.com

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About Hoist Finance

Hoist Finance is a trusted debt restructuring partner to international banks and financial institutions. We are specialised in serving banks in handling non-performing loans, and supporting individuals in becoming debt free. Through expertise and rigorous compliance we earn the banks’ trust. Through respect, honesty and fairness we earn the trust of our customers.