

# Hoist Finance has received commitment from CarVal for a rated Italian securitisation

Hoist Finance is working towards closing a rated cash securitisation backed by a pool of Italian non-performing unsecured claims with a gross book value of EUR 5.0 billion as of the end of September.

The transaction will have 85% senior and 15% subordinated notes. Hoist Finance will retain the senior notes in full, and additionally 5% of the subordinated notes. Funds managed by CarVal Investors LP have committed to subscribe the remaining subordinated notes.

Senior notes are expected to be assigned an investment-grade rating and will carry an interest rate equal to 1.8%. Subordinated notes, covering the remaining 15% of the capital structure, will have a combined capped IRR of 15%. Excess collection from the assets will serve as credit support to all outstanding notes and thereafter be paid to Hoist Finance as deferred purchase price.

This is the second securitisation backed by Italian non-performing assets by Hoist Finance for capital relief purposes. In connection with the closing of this transaction, the notes of the inaugural unrated securitisation, closed in August, will be redeemed in full and its assets refinanced via the transaction announced today.

The transaction is structured with a view to achieve significant risk transfer in accordance with Article 244 of Regulation (EU) No 575/2013 on prudential requirements for credit institutions and investment firms. The new rated securitisation is expected to result in a CET1 capital relief of approximately 20 bps in addition to the 60 bps released in August.

The new securitisation is expected to close in November 2019, with CarVal Investors continuing to show strong commitment to Hoist Finance's securitisation programme by subscribing the subordinated notes of the transaction.

- We are very proud to announce that we are proceeding according to plan on our securitisation programme. This rated securitisation is a milestone not only for Hoist Finance in terms of developing and implementing steps to mitigate regulatory changes, but also a landmark for the whole sector given that this transaction will be the first public securitisation of NPL assets consisting solely of unsecured consumer claims, says Klaus-Anders Nysteen, CEO of Hoist Finance.

An update on the new, rated securitisation will be given in conjunction with the Q3 results during the presentation on 5 November at 09.30 AM. The meeting will be held in English hosted by Klaus-Anders Nysteen, CEO and Christer Johansson, CFO and can be followed live at: <https://tv.streamfabriken.com/hoist-finance-q3-2019>

**Dial-in details for the conference call:**

SE: +46850558368 UK: +443333009263 US: 18446251570

***This information is information that Hoist Finance AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act. The information was submitted for publication by Andreas Lindblom at 00:15 AM CET on 5 November 2019.***

**For further information, please contact:**

Andreas Lindblom, Head of Investor Relations

Telephone: +46 (0) 72 506 14 22

**About Hoist Finance**

Hoist Finance is a trusted debt resolution partner to individuals, companies and banks in eleven European countries. With over 1600 dedicated colleagues, smart digital solutions and a deep understanding of individual financial circumstances, we help over six million customers keep their commitments. This is achieved by agreeing on sustainable repayment plans so that everyone is included within the financial ecosystem. Hoist Finance has a diverse portfolio of asset classes and our online savings platform in Sweden and Germany enables our unique funding model. Hoist Finance was founded in 1994 and is today a public company listed on Nasdaq Stockholm. For more information, please visit [hoistfinance.com](http://hoistfinance.com).