

PRESS RELEASE  
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## **Hoist Finance and Magnetar sign securitisation partnership agreement for new portfolio investments**

Hoist Finance launched the next phase of the company's Securitisation Programme ("Programme") by signing a co-operation agreement with alternative investment manager Magnetar Capital. The agreement stipulates new portfolio investments on a pan-European level and will create a framework for future purchases in the current regulatory environment.

"We are very proud to launch this transformative project for Hoist Finance, making securitisation an integral part of our sustainable business model. The partnership with Magnetar will strengthen our purchase capabilities, which is timely and important to us given the current positive market outlook," says Klaus-Anders Nysteen, CEO of Hoist Finance.

The Programme, 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, will target unsecured NPL portfolios, for a total investment volume of approximately EUR 1 billion. As co-investor, Magnetar has committed to invest EUR 150 million in mezzanine and junior notes in future securitisations for a combined IRR of 14 per cent over a 24 month investment period. Hoist Finance will subscribe the senior notes. Any surplus collections from the securitised assets will support the outstanding notes and, upon full repayment, be paid to Hoist Finance under the relevant servicing agreements. The partnership will cover all Hoist Finance's jurisdictions.

With the launch of the Programme, securitisation becomes an integrated part of Hoist Finance's funding model and will effectively mitigate the impact of regulatory changes introduced in December 2018 (increased risk-weights) and April 2019 (NPL Prudential Backstop regulation).

Founded in 2005, and with an AUM of approximately USD 12.3 billion as of 1 October 2020, Magnetar has an established track record of working across a wide-range of investment types and jurisdictions. Its Alternative Credit and Fixed Income team has invested over USD 4 billion (equivalent) of capital into more than 50 risk transfer transactions.

“Through this partnership, Magnetar will expand our investment profile in the European NPL markets in a securitization format consistent with our extensive history in bank risk transfer solutions. Hoist Finance is an ideal partner given their long-standing experience in purchasing and servicing debt in the major European NPL markets as well as their rigorous operational and compliance practices required by their banking model and evidenced by their track record,” says Alan Shaffran, Senior Portfolio Manager and European Head at Magnetar.

Hoist Finance (London branch) and Deutsche Bank AG acted as Arrangers in designing the Programme, White & Case acted as legal advisor to Hoist Finance and Clifford Chance as legal advisor to Magnetar.

*This information is information that Hoist Finance AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out below, at 20:00 CET on 5 February, 2021.*

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**About Hoist Finance**

Hoist Finance is a trusted debt resolution partner to individuals, companies and banks in eleven European countries. With over 1,600 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](https://hoistfinance.com).