

Notice of the Annual General Meeting in Hoist Finance AB (publ)

Shareholders of Hoist Finance AB (publ), reg. no. 556012-8489, are hereby invited to attend the Annual General Meeting, to be held on Wednesday 13 April 2022, at 11:00 a.m. at Haymarket by Scandic, Hötorget 13-15, Stockholm. Registration will open at 10:30 a.m.

Notification of attendance

Shareholders who wish to attend the Annual General Meeting shall both, be listed in the shareholders' register maintained by Euroclear Sweden AB (the Swedish Central Securities Depository), on Tuesday 5 April 2022, and, notify the company of their intention to attend the meeting no later than Thursday 7 April 2022.

Notification shall be given in writing and sent to:

Hoist Finance AB (publ)
Annual General Meeting
Box 7848
103 99 Stockholm
Sweden
or bolagsstamma@hoistfinance.com

The notification must include the shareholder's name, personal identification number/registration number, address, telephone number and the number of shares held and, if any, the number (maximum two) and name of accompanying assistants.

Representatives of minors and corporate representatives shall submit authorisation documents to the company well in advance of the Annual General Meeting. A certificate of registration (or equivalent documents) evidencing the authority to issue the power of attorney, shall be enclosed if the power of attorney is issued by a legal entity. Power of attorney forms will be available on the company's webpage, www.hoistfinance.com.

To be able to attend and vote at the Annual General Meeting, the shareholders whose shares are registered in the name of a nominee must have such shares temporarily registered in their own names, in the shareholders' register maintained by Euroclear Sweden AB. This procedure, so-called voting rights registration, must have effect on Thursday 7 April 2022 and should be requested from the nominee well in advance of this date.

Precautionary measures in relation to Covid-19

Due to the Covid-19 pandemic, Hoist Finance has decided to implement precautionary measures in connection with the Annual General Meeting. The shareholders are encouraged to follow the authorities' recommendations and take responsibility in order to prevent the spread of infection. Shareholders who are worried about the spread of infection, belong to a risk group or suspect infection are asked to not participate personally but instead via proxy. No food or beverages will be served. Hoist Finance monitors the development and the authorities' recommendations and may update the measures described above with short notice.

Shareholders' right to request information

In accordance with the Swedish Companies Act Ch. 7 Sec. 32, the shareholders have the right to ask questions at the Annual General Meeting regarding the items on the agenda and about the financial situation of the company and the group. Shareholders, who wish to submit questions ahead of the Annual General Meeting, shall send these to:

Hoist Finance AB (publ),
Annual General Meeting
Box 7848
103 99 Stockholm
Sweden
or bolagsstamma@hoistfinance.com

Proposed agenda

1. Opening of the meeting
2. Election of the Chairman of the meeting
3. Drawing up and approval of voting list
4. Approval of the agenda
5. Election of two persons to verify the minutes
6. Determination of whether the meeting has been duly convened
7. Presentation of the Annual Report and the auditor's report, and the consolidated financial statements and the consolidated audit report, for the financial year 1 January – 31 December 2021
8. Resolution on adoption of the income statement and the balance sheet as well as the consolidated income statement and consolidated balance sheet
9. Resolution on disposition of the company's earnings according to the approved balance sheet
10. Resolution on remuneration report
11. Resolution on discharge from personal liability of the Directors and the CEO

12. Resolution on the number of Directors, remuneration to be paid to the Directors and to the auditor, election of Directors, the Chairman of the Board and election of auditor
13. Proposal for approval of the Board of Directors' resolution on deferred variable remuneration in the form of shares in accordance with the Deferred Bonus Plan 2022
14. Proposal for authorisation to the Board of Directors to resolve on new share issue
15. Proposal for authorisation to the Board of Directors to resolve on acquisition of own shares
16. Proposal to resolve on an amendment of the Articles of Association
17. Closing of the meeting

Proposals

The Nomination Committee consisting of Per Arwidsson, Chairman (Arwidsro), Erik Selin (Erik Selin Fastigheter AB) and Bengt Edholm, Chairman of the Board in Hoist Finance AB (publ), have submitted proposals to be resolved upon under items 2 and 12 on the agenda.

The Board of Directors has submitted proposals to be resolved upon under items 9, 10 and 13-16 on the agenda.

Item 2 – Election of the Chairman of the Annual General Meeting

The Nomination Committee proposes Lars Wollung, board member of Hoist Finance, to be elected as Chairman of the Annual General Meeting 2022.

Item 9 – Resolution on disposition of the company's earnings according to the approved balance sheet

The Board of Directors proposes that the Annual General Meeting 2022 resolves to not distribute a dividend to the shareholders of Hoist Finance for the financial year 1 January – 31 December 2021.

Item 10 – Resolution on remuneration report

The Board of Directors proposes that the Annual General Meeting 2021 resolves to approve the Board of Directors' report on remuneration pursuant to Chapter 8, Section 53 a of the Swedish Companies Act.

Item 12 – Resolution on the number of Directors, remuneration to be paid to the Directors and to the auditor, election of Directors, the Chairman of the Board and election of auditor

The Nomination Committee proposes the following:

- That the Board of Directors shall be composed of six (6) members, with no deputy members;
- Re-election of Bengt Edholm, Camilla Philipson Watz, Christopher Rees, Rickard Westlund, Lars Wollung and Peter Zonabend as members of the Board of Directors; and
- Election of Bengt Edholm as Chairman of the Board of Directors.

A presentation of the persons proposed to be re-elected as Board members will be available at the company's website, www.hoistfinance.com.

The Nomination Committee proposes no change to the Board fees compared to what was decided at the Extra General Meeting in February 2022:

Chairman of the Board of Directors: SEK 1,475,000
Member of the Board of Directors: SEK 490,000
Chairman of the Risk- and Audit Committee: SEK 200,000
Member of the Risk and Audit Committee SEK 125,000
Chairman of the Investment Committee: SEK 175,000
Member of the Investment Committee: SEK 100,000
Chairman of the Remuneration Committee: SEK 50,000
Member of the Remuneration Committee: SEK 50,000

The Nomination Committee proposes, in accordance with the recommendation from the board's Risk and Audit Committee, to elect EY as auditor until the end of the Annual General Meeting 2023. EY has informed that, if the Annual General Meeting resolves in accordance with the Nomination Committee's proposal, the authorized public accountant Daniel Eriksson will be the auditor in charge.

The Nomination Committee proposes that the auditor shall be entitled to a fee in accordance with approved invoices.

Item 13 – Proposal for approval of the Board of Directors resolution on deferred variable remuneration in the form of shares in accordance with the Deferred Bonus Plan 2022

The Annual General Meeting 2021 in Hoist Finance AB (publ) ("**Hoist Finance**") resolved on a restructured performance- and share based remuneration program for 2021, comprising the management team, senior executives and key employees, called *Hoist Finance Global Executive Deferred Bonus Plan* (the "**Deferred Bonus Plan 2021**").

It is the opinion of the Board of Directors that the Deferred Bonus Plan 2021 has been appropriate and has encouraged increased shareholder value while attracting and retaining senior executives and key employees considered essential for Hoist Finance's long-term success, as well as aligning the interests of participants with those of the company's shareholders.

The Board hence proposes that the Annual General Meeting 2022 resolves on a new Deferred Bonus Plan 2022 (the "**Deferred Bonus Plan**"), on terms that essentially correspond to the terms of the Deferred Bonus Plan 2021. The proposal mainly means that 60 per cent of the variable remuneration to senior executives included in the Deferred Bonus Plan, which shall be deferred over three years, is paid out as ordinary shares in Hoist Finance.

It is the Board of Directors' intention that share based deferred bonus plans shall be annual and that the Board of Directors, after evaluation, intend to return with a corresponding proposal for forthcoming financial years.

A ***Proposal for approval of the Board of Directors' resolution on deferred variable pay in the form of shares according to the Deferred Bonus Plan***

1. Terms and conditions for the Deferred Bonus Plan

The Board of Directors proposes that the Annual General Meeting resolves on deferred variable remuneration in the form of shares pursuant to the Deferred Bonus Plan in accordance with the below.

- i. The Deferred Bonus Plan shall comprise approximately 15 to 25 employees, comprising senior executives, executive management and a number of key employees within the Hoist Finance group. Information on the maximum pay-out possible under the Deferred Bonus Plan is included in the Guidelines for Remuneration to Senior Executives.
- ii. The performance targets for the Deferred Bonus Plan are based on the improvement of results and have been determined according to the local business activities and aim to strengthen the group's long-term profitability. The performance targets vary depending on which part of the business that the participant is working in and also include a financial performance target that is based on the return on equity for Hoist Finance. The performance improvement compared to last year's result, which is required to achieve a maximum bonus, varies for different entities throughout the group.

- iii. Provided that applicable performance criteria are met, the annual bonus outcome will be determined in the beginning of 2023 and be payable as follows.
 - a) 40 per cent of the bonus will be paid in cash after the Annual General Meeting's approval of the annual report for 2022; and
 - b) 60 per cent of the bonus will be paid in ordinary shares in Hoist Finance ("**Bonus Shares**"), by one third each for the following three years. The number of Bonus Shares each participant receives shall be determined based on the volume-weighted average price paid for the company's shares during the period of five trading days immediately after publication of the 2022 year-end report, but as a minimum SEK 20. Thus, one third of the Bonus Shares is received after two years. The vesting period of less than three years for the initial one third of the Bonus Shares is balanced by the fact that a third of the Bonus Shares is not received until after four years.
- iv. Payment of the deferred remuneration by transfer of Bonus Shares as described above is conditional upon the participant still being employed in Hoist Finance at the time of the transfer of Bonus Shares, except where the employee has left his/her employment due to retirement, death, long-term illness, or other common exceptions, in which case the employee shall have a continued right to receive Bonus Shares.
- v. Prior to payment of deferred remuneration by transfer of Bonus Shares as described above, the employee will not be granted any rights (e.g. voting rights or right to dividend) connected to the Bonus Shares. At transfer of the Bonus Shares to the participant in accordance with the above, the participant shall, however, be entitled to a cash consideration for the possible ordinary dividend paid per earned Bonus Share during the period from a resolution on bonus has been made until the Bonus Shares have been transferred to the participant.
- vi. The number of Bonus Shares to be obtained and the price set out in section 1(iii)(b) above may be subject to re-calculation due to new share issues, split, reverse share split and similar measures.
- vii. Participation in the Deferred Bonus Plan should normally include a requirement that participants during their employment in the Hoist Finance group shall retain Bonus Shares received net of tax until the holding equals at least 50 per cent of the fixed annual salary (net of tax). The Board of Directors may decide on exceptions from this requirement if deemed necessary or otherwise appropriate for legal, administrative or similar reasons.

- viii. The Board of Directors shall be entitled to resolve on a reduction of the allotment of Bonus Shares if allotment in accordance with the above conditions – considering Hoist Finance’s result and financial position, other circumstances regarding the group’s development and the conditions on the stock market – would be clearly unreasonable. In addition, the Board of Directors may decide that the Bonus Shares will instead be replaced by a cash amount corresponding to the value of the Bonus Shares if deemed necessary or otherwise appropriate for legal, administrative or similar reasons.
- ix. Participation in the Deferred Bonus Plan presumes that such participation is lawful, and that such participation in Hoist Finance’s opinion can take place with reasonable administrative costs and economic efforts.
- x. The Board of Directors shall be responsible for the particulars and the handling of the Deferred Bonus Plan within the frame of the above principal guidelines and shall also be entitled to make such minor adjustments which may prove necessary due to legal or administrative circumstances. The Board of Directors shall have the right to delegate its task to the Remuneration Committee.

2. Scope and dilution

The maximum number of Bonus Shares that may be allotted to the participants under the Deferred Bonus Plan amounts to 1,100,000 shares which corresponds to 1.2 per cent of the share capital and votes in the company as of 28 February 2022.¹ The intention of the Board is to hedge the delivery of the shares via a so-called share swap, and no dilution will hence occur.

3. Estimated costs and effects on key ratios

The total costs for the Deferred Bonus Plan, of which 40 per cent relate to cash awards and 60 per cent to Bonus Share awards, are together estimated to approximately SEK 36,000,000, provided that the performance conditions are fully met. Of these costs, approximately SEK 5,000,000 relate to other costs, in particular social security contributions, including those relating to Bonus Share awards hedged through the share swap agreement.

Given the full-year result of 2020, the costs for the Deferred Bonus Plan would have resulted in a reduction of earnings per share of SEK 0.40. However, the Board of Directors believes that

¹ The number of Bonus Shares and minimum price set out in section 1(iii)(b) under the Deferred Bonus Plan shall, however, according to further conditions resolved by the Board of Directors, be subject to recalculation if Hoist Finance carries out a new share issue, split of shares, consolidation of shares or similar actions, taking into account general practice for an equivalent incentive program.

the expected positive effects on Hoist Finance's financial results of meeting all the performance conditions of the Deferred Bonus Plan will outweigh the costs of the program.

4. Preparation of the proposal and majority requirement

The above proposal for the Deferred Bonus Plan has been prepared and processed by the Board of Directors and the Remuneration Committee. The proposal is resolved upon by the Annual General Meeting by simple majority.

5. Other incentive programs in Hoist Finance

At present, Hoist Finance has no existing share based incentive programs other than the Deferred Bonus Plan 2019, 2020 and 2021. The company has decided that no variable pay for 2019, 2020 or 2021 is paid out to the members of the executive management team and the country managers (the Group Management Team).

B Costs of the Deferred Bonus Plan and hedging activity based on the entering into of a share swap agreement

Beyond what is stated below on the share swap agreement, the fact that parts of the bonus is share related will not add any material costs other than the costs, such as salary costs and social expenses, which would have been added even if the Deferred Bonus Plan had been carried out as a cash bonus program.

The delivery of Bonus shares and the financial exposure (including social fees) of the Deferred Bonus Plan is proposed to be hedged by Hoist Finance entering into a share swap agreement with a third party, according to which the third party under its own name acquires and transfers shares in the company to employees who are participating in the program. Since the share price is hedged at the time when the annual bonus outcome is determined, the costs for the Deferred Bonus Plan is not affected by changes to the share price. The cost of entering into the share swap agreement is estimated to approximately SEK 100,000.

Item 14 – Proposal for authorisation to the Board of Directors to resolve on new share issue

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board of Directors to resolve, until the next Annual General Meeting, on one or several occasions, with or without deviating from the shareholders' preferential rights, against cash payment, through set-off or against consideration in kind, on issuance of new ordinary shares.

The number of shares in the company may, by virtue of this authorisation, not exceed an increase of ten (10) per cent of the number of shares on the date of the Annual General Meeting.

The purpose of this authorisation is solely to enable the raising of capital for financing of acquisitions of companies or businesses and larger portfolio investments.

The subscription price shall be marketable and determined in accordance with the prevailing market conditions at the time the shares are issued.

The Board of Directors also proposes that a resolution is adopted at the Annual General Meeting granting the CEO, or an individual appointed by the CEO, the authority to make any minor adjustments to the shareholders' resolution as may prove necessary in conjunction with the registration of the resolution.

For a valid resolution in accordance with the Board of Directors' proposal as per above, the resolution must be supported by shareholders representing at least two thirds of both the votes made and the shares represented at the Annual General Meeting.

Item 15 – Proposal for authorisation to the Board of Directors to resolve on acquisition of own shares

The Board of Directors proposes that the Annual General Meeting resolves to authorise the Board of Directors to resolve, until the next Annual General Meeting, on one or several occasions, subject to applicable capital adequacy requirements at any given time, on acquisition of own shares according to the following terms and conditions:

- Acquisitions of own shares may be made of no more than so many shares that the company's holding of treasury shares at any given time amounts to no more than ten (10) per cent of the total number of shares in the company.
- Acquisitions of own shares may only be made on Nasdaq Stockholm and in accordance with the Nasdaq Stockholm Rulebook for Issuers.
- Acquisitions of own shares may only be made at a price per share within the spread registered on Nasdaq Stockholm from time to time, meaning the spread between the highest bid price and the lowest ask price.
- Payment for the shares shall be made in cash.

The mandate to repurchase the company's own shares provides the Board of Directors with an efficient tool to improve flexibility in the management of the capital structure and thus contribute to increasing shareholder value.

For a valid resolution in accordance with the Board of Directors' proposal as per above, the resolution must be supported by shareholders representing at least two thirds of both the votes made and the shares represented at the Annual General Meeting.

Item 16 – Proposal to resolve on an amendment of the Articles of Association

The Board of Directors proposes that the Annual General Meeting resolves to amend § 8 section 2 of the Articles of Association. The reason for the proposal is updated regulations on the record date for participation in general meetings, according to which the record date now falls on the sixth banking day before the general meeting, instead of five weekdays before. Since this is stated in the Swedish Companies Act it does not need to be stated in the Articles of Association. The Board of Directors proposes the following change.

Current wording	Proposed new wording
A shareholder, who wants to participate in a general meeting must be registered in such a transcription or report of the entire share register as regards the fact five (5) weekdays prior to the meeting, and notify the company not later than on the day specified in the notice of the meeting. This day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not be earlier than five (5) weekdays prior to the general meeting.	A shareholder may participate in a general meeting only if the shareholder notifies the company no later than the date specified in the notice convening the meeting. This day may not be a Sunday, other public holiday, Saturday, Midsummer Eve, Christmas Eve or New Year's Eve and may not be earlier than the fifth weekday before the general meeting.

For a valid resolution in accordance with the Board of Directors' proposal, the resolution must be supported by shareholders representing at least two thirds of both the votes made and the shares represented at the Annual General Meeting.

Number of shares and votes

At the time of issuing this notice there were in total 89,303,000 shares and votes in Hoist Finance AB (publ). The company held, at the time of issuing this notice, no own shares in treasury.

Available documents

The accounts, the auditor's report and the auditor's statement regarding compliance with the previous guidelines for remuneration to the senior executives as well as the complete proposals for decisions under items 2, 9, 10 and 12-16 will be available to the shareholders at the company's office and at the company's website www.hoistfinance.com no later than Wednesday 23 March 2022, and will also be distributed to shareholders who have notified their wish to receive the documents and have informed of their postal address.

Personal Data

For information on how your personal data is processed, see <https://www.euroclear.com/dam/ESw/Legal/Privacy-notice-bolagsstammor-engelska.pdf>.

Stockholm, March 2022
Hoist Finance AB (publ)
The Board of Directors

For further information please contact:

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