

PRESS RELEASE

Stockholm

7 February 2024

Hoist Finance year-end report 2023

"Hoist Finance has finished a very strong 2023. We have delivered profitable growth while implementing an extensive transformation programme. Profit before tax for the fourth quarter of SEK 265 million and full-year profit before tax of SEK 869 million shows that our new strategy and governance model is delivering. Now we continue the journey we have started - towards becoming Europe's leading credit portfolio manager", says Harry Vranjes, CEO of Hoist Finance.

Key highlights for the fourth quarter

- » Profit before tax amounted to SEK 265 million, compared to SEK 5 million for the same quarter last year
- » Return on equity amounted to 12 per cent. Adjusted for normalised capital levels, the return on equity was 15 per cent¹
- » Strong capital and liquidity position, significantly above regulatory requirements with a CET1 ratio of 13.89 per cent
- » Collection performance came in at 105 per cent, meaning we have generated five per cent higher cash flows than forecasted on our portfolios
- » Investments in new portfolios totalled SEK 2.4bn in the fourth quarter
- » Moody's confirmed the company's Baa3 senior unsecured ratings and changed the outlook to positive from negative
- » Launch of HoistSpar in Poland, expanding the European deposit base and enabling increased currency matching between the asset and liability side
- » The agreement on the banking package, containing the possibility of "Specialized Debt Restructurer", was formally signed by the Council of the European Union (Coreper) and expected ratification by the European Parliament will take place in April. The package contains a possibility for an exemption to the backstop regulations for banks that meet the set criteria

¹ To illustrate the development in the underlying business, the comparison quarters 2022 are adjusted for the divested UK business and in accordance with the hedge accounting introduced on 1 July 2022, see pages 6 and 9 in the report.

Key figures October – December

- » Total operating income amounted to SEK 933m (652)
- » Profit before tax totalled SEK 265m (5)
- » Adjusted profit before tax was SEK 265m (5)
- » Profit for the period was SEK 187m (255)
- » Basic and diluted earnings per share amounted to SEK 1.82 (0.19)
- » Return on equity was 12% (20)
- » Normalised return on equity was 15% (-1)
- » Book value of acquired loan portfolios totalled SEK 2,365m (2,767)
- » The CET1 ratio per December 31st was 13.89% (15.85)

Key figures full-year 2023

- » Total operating income amounted to SEK 3,518m (2,613)
- » Profit before tax totalled SEK 869m (490)
- » Adjusted profit before tax was SEK 1,020m (345)
- » Profit for the period was SEK 711m (801)
- » Basic and diluted earnings per share amounted to SEK 6.26 (3.55)
- » Return on equity was 12% (17)
- » Normalised return on equity was 17% (7)
- » Book value of acquired loan portfolios totalled SEK 7,089m (6,928)
- » The CET1 ratio per December 31st was 13.89% (15.85)

As the Board of Directors has decided to carry out a share repurchase corresponding to a maximum of SEK 100 million until the Annual General Meeting in May 2024, the Board of Directors will recommend to the Annual General Meeting that no dividend be paid for 2023.

A combined presentation and teleconference will be held at 09:30 am CET.

If you wish to participate via webcast, please use the link below.

<https://ir.financialhearings.com/hoist-finance-q4-report-2023>

If you wish to participate via teleconference, please register on the link below. After registration you will be provided a phone number and a conference ID to access the conference. You can ask questions verbally via the teleconference.

<https://conference.financialhearings.com/teleconference/?id=5009558>

The presentation and the report will be available on www.hoistfinance.com after the publication.

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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 above, at 07:30 a.m. CET on 7 February, 2024.

About Hoist Finance

Hoist Finance is an asset manager specialised in non-performing loans. For more than 25 years, we have focused on investing in and managing debt portfolios. We are a partner to international banks and financial institutions across Europe, acquiring non-performing loan portfolios. We are also a partner to consumers and SMEs in a debt situation, creating long-term sustainable repayment plans enabling them to convert non-performing debt to performing debt. We are present in 13 markets across Europe and our shares are listed on Nasdaq Stockholm. For more information, please visit hoistfinance.com.