

# Hoist Finance

**HOIST FINANCE AB (publ)**

*(Incorporated with limited liability in Sweden)*

**€1,000,000,000**

**Euro Medium Term Note Programme**

This Supplement (the **Supplement**) to the Offering Circular (the **Offering Circular**) dated 3 August 2018, which comprises a base prospectus for the purposes of Article 5.4 of Directive 2003/71/EC (as amended, including by Directive 2010/73/EU) (the **Prospectus Directive**), constitutes a supplement for the purposes of Article 51 of Prospectus (Directive 2003/71/EC) Regulations 2005 of Ireland (S.I. No. 324 of 2005) (as amended) (the **Prospectus Regulations**) and is prepared in connection with the €1,000,000,000 Euro Medium Term Note Programme (the **Programme**) established by Hoist Finance AB (publ) (the **Issuer**). Terms defined in the Offering Circular have the same meaning when used in this Supplement. When used in this Supplement, **Prospectus Directive** means Directive 2003/71/EC (as amended, including by Directive 2010/73/EU), and includes any relevant implementing measure in a relevant Member State of the EEA.

This Supplement has been approved by the Central Bank of Ireland as competent authority under the Prospectus Directive. The Central Bank of Ireland only approves this Supplement as meeting the requirements imposed under Irish and EU law pursuant to the Prospectus Directive.

This Supplement is supplemental to, and should be read in conjunction with, the Offering Circular and any other supplements to the Offering Circular issued by the Issuer.

The Issuer accepts responsibility for the information contained in this Supplement. To the best of the knowledge of the Issuer (which has taken all reasonable care to ensure that such is the case) the information contained in this Supplement is in accordance with the facts and does not omit anything likely to affect the import of such information.

## **Purpose of the Supplement**

The purpose of this Supplement is (a) to update certain statements in the Offering Circular regarding the ratings assigned to the Programme by Moody's Investors Services, Inc. (**Moody's**); (b) to amend paragraph (h) of the definition of "Permitted Debt" and paragraphs (e) to (f) of the definition of "Permitted Security" in the Terms and Conditions of the Notes; (c) to make certain amendments to the Offering Circular to reflect changes to the Issuer's Executive Management team; (d) to include a new risk factor concerning the enforceability of judgements following the United Kingdom's exit from the European Union; and (e) to amend the Significant or Material Change statement following the Issuer's recent new share issue.

## **Changes to the ratings assigned the Programme**

On 27 August 2018, Moody's announced ratings of (P)Ba3 in respect of senior unsecured non-preferred debt issued under the Programme, (P)Ba3 in respect of long-term subordinated debt issued under the Programme and Baa3 in respect of long-term senior unsecured preferred debt issued under the Programme.

Accordingly:

- (i) the second sentence of the sixth paragraph on page 2 of the Offering Circular shall be deleted in its entirety and replaced with the following:

“The Programme has been rated Baa3 in respect of long-term senior unsecured preferred debt, (P)Ba3 in respect of senior unsecured non-preferred debt and (P)Ba3 in respect of long-term subordinated debt by Moody’s”; and

- (ii) the first sentence in the paragraph titled “Rating” on page 13 of the Offering Circular shall be deleted in its entirety and replaced with the following:

“The Programme has been rated Baa3 in respect of long-term senior unsecured preferred debt, (P)Ba3 in respect of senior unsecured non-preferred debt and (P)Ba3 in respect of long-term subordinated debt by Moody’s”.

### **Amendment to the Terms and Conditions of the Notes**

Paragraph (h) of the definition of Permitted Debt on page 89 of the Offering Circular shall be deleted in its entirety and replaced with the following “incurred by the Issuer or any of its Subsidiaries in an amount which, when taken together with the aggregate amount of any other Permitted Debt incurred in reliance on this paragraph (h), does not exceed an aggregate amount of 15.00 per cent of total assets (as shown in the Group's most recent audited consolidated financial statements prepared in accordance with the Accounting Principles) of the Group”.

Paragraph (e) of the definition of Permitted Security on page 90 of the Offering Circular shall be deleted in its entirety and replaced with the following “any security or quasi-security securing Financial Indebtedness permitted in accordance with paragraph (e) or (h) of the definition of Permitted Debt; and”.

Paragraph (f) of the definition of Permitted Security on page 90 of the Offering Circular shall be deleted in its entirety and replaced with the following “any security or quasi-security pertaining to any Permitted Debt set out in paragraph (f) of the definition of Permitted Debt, if (i) the security or quasi-security was not created in contemplation of the acquisition of that asset or company, (ii) the principal amount secured has not been increased in contemplation of or since the acquisition of that asset or company and (iii) the security or quasi-security is removed or discharged within six (6) months of the date of acquisition of such asset or of the date that company becoming a Group Company”.

### **Changes to the Issuer’s Executive Management team**

On 28 June 2018, the Issuer announced that Viktoria Aastrup had been appointed as its new Head of Business Development and Communication and will join its Executive Management team.

On 6 August 2018, the Issuer announced that Björn Hoffmeyer had been appointed as its new Chief Operating Office and will replace Charles de Munter on its Executive Management team.

Accordingly, the section titled “Description of the Issuer and the Group – Executive Management” on pages 145 to 146 of the Offering Circular is amended to:

- (i) remove the reference to Charles de Munter; and
- (ii) include the following information in respect of Viktoria Aastrup and Björn Hoffmeyer:

**“Viktoria Aastrup**

Head of Business Development and Communication

Born 1971. Hoist Finance employee since 2018.

Principal education: MSc in Economics, University of Linköping

Other on-going principal assignments: None

**Björn Hoffmeyer**

Chief Operating Officer

Born 1967. Hoist Finance employee since 2018.

Principal education: Master of Business Administration, Hamburg University

Other on-going principal assignments: None”.

Save as described in the Offering Circular, neither Viktoria Aastrup nor Björn Hoffmeyer has any private interests that might conflict with Hoist Finance’s interests or those of the Issuer.

Viktoria Aastrup and Björn Hoffmeyer may be contacted at the Issuer’s address at Sturegatan 6, SE-114 35 Stockholm, Sweden.

**Risk Factor concerning enforceability of judgments**

The following additional risk factor shall be inserted on page 45 of the Offering Circular after the risk factor entitled “Investors who hold less than the minimum Specified Denomination may be unable to sell their Notes and may be adversely affected if definitive Notes are subsequently required to be issued”:

**“Enforceability of judgments**

The United Kingdom (the **UK**) is due to leave the European Union (the **EU**) on 29 March 2019. The UK and the EU are currently negotiating a withdrawal agreement, the published draft of which proposes a transitional period, from 30 March 2019 to 31 December 2020 during which EU law would continue to apply to the UK. If no new reciprocal agreement on civil justice is agreed at the end of such a transition period (or if no such transition period is agreed), there will be a period of uncertainty concerning the enforcement of English court judgments in Sweden as the current regulation concerning the recognition and enforcement of judgments that apply between the UK and EU Member States, namely the Recast Brussels Regulation (Regulation (EU) No. 1215/2012 of the European Parliament and of the Council of 12 December 2012) (the **Recast Regulation**) would cease to apply to the UK (and UK judgments). Further the UK would no longer be a party to the Lugano Convention under which judgments from the courts of contracting states (currently the EU, plus Switzerland, Iceland and Norway) are recognised and enforced in other contracting states. As a result, a judgment entered against the Issuer in a UK court may not be recognised or enforceable in Sweden as a matter of law without a re-trial on its merits (but will be of persuasive authority as a matter of evidence before the courts of law, arbitral tribunals or executive or other public authorities in Sweden).

The draft withdrawal agreement provides that judgments issued by UK courts in proceedings instituted before the end of the transition period will continue to be recognised and enforced in the EU pursuant to the Recast Regulation. Further, in its White Paper from July 2018, the UK Government states that it will seek to participate in the Lugano Convention on leaving the EU, which would mean English judgments would continue to be recognised and enforced in Sweden (and other contracting states). In the same White Paper,

the UK Government also stated it will seek a new bilateral agreement with the EU27 concerning cooperation in the area of civil justice including arrangements for the continued mutual recognition and enforcement of judgments.”

#### **Changes to the Significant or Material Change statement following the Issuer’s recent new share issue**

On 12 September 2018, the Issuer completed a new share issue of 8,118,454 new shares. Accordingly, the paragraph under the heading “Significant or Material Change” on page 155 of the Offering Circular shall be deleted in its entirety and replaced with the following:

“On 12 September 2018, the Issuer completed a new share issue of 8,118,454 new shares at a subscription price of SEK 70 per share, which means that the Issuer received gross proceeds of approximately SEK 568 million. Through the issue, the number of outstanding shares and votes will increase by 8,118,454 from 81,184,546 to 89,303,000. The share capital will increase by approximately SEK 2,706,151.33 from SEK 27,061,515.33 to SEK 29,767,666.66.

Except as set out above, there has been no significant change in the financial or trading position of the Issuer since 30 June 2018 and there has been no material adverse change in the prospects of the Issuer since 31 December 2017.”

To the extent that there is any inconsistency between (a) any statement in this Supplement or any statement incorporated by reference into the Offering Circular by this Supplement and (b) any other statement in or incorporated by reference in the Offering Circular, the statements in (a) above will prevail.

Save as disclosed in this Supplement, there has been no other significant new factor, material mistake or inaccuracy relating to information included in the Offering Circular since the publication of the Offering Circular.