

The Board of Directors' proposal regarding amendments to the Articles of Association

With reference to that Hoist Finance AB (publ) (the “**Company**”) during 2017 has obtained the Swedish Financial Supervisory Authority’s (“**SFSA**”) approval to conduct financing business (Sw. *finansieringsrörelse*), the Board of Directors of the Company proposes that the Annual General Meeting resolves to amend § 3 of the Articles of Association as specified below (the proposed new Articles of Association are appended to this proposal as Appendix A). The Board of Directors, or any person appointed on their behalf, shall be entitled to make any formal adjustments to the resolution to amend the Articles of Association which might be required in conjunction with registration and decide upon timing of the registration considering the timing of the Merger (as defined below). The Board of Directors further proposes that the resolution of the Annual General Meeting to amend the Articles of Association shall be conditional upon the Company also applying for execution of the Merger.

Background and purpose

On 17 March 2017 the Company was granted license by the SFSA to conduct financing business (Sw. *finansieringsrörelse*). The purpose of the proposed amendment of § 3 of the Articles of Association is to adjust and expand the objects of Company to the rules in the Swedish Banking and Financing Business Act (2004:297) (Sw. *lagen om bank- och finansieringsrörelse*). The Board of Directors of the Company, as the surviving company, and the board of directors of Hoist Kredit AB (publ), as the transferring company, will prepare a joint merger plan (the “**Merger Plan**”). As will be further described in the Merger Plan, the assets and liabilities of Hoist Kredit AB (publ) shall be transferred to the Company through a merger by way of absorption of a wholly owned subsidiary in accordance with Chapter 23, Section 8 of the Swedish Companies Act (2205:551) (Sw. *aktiebolagslagen*) (with further references) and, Chapter 10, Section 19-25 b and Chapter 11, Section 1 of the Swedish Banking and Financing Business Act (2004:297) (the “**Merger**”). The purpose of the Merger is to simplify the legal structure of the group of companies in which the Company is the parent company (the “**Group**”). As a result, the Group is expected to enhance a more cost-effective management, reduce administrative complexity and strengthen the corporate governance. The Merger is further expected to, inter alia, result in cost savings by way of less reporting requirements, and lowered audit costs. Upon completion of the Merger, the business conducted by Hoist Kredit AB (publ) will instead be conducted by the Company.

Current wording	Proposed wording
<p>The company’s objects are to:</p> <ul style="list-style-type: none"> - own and manage subsidiaries which – or proprietary interest in companies which – conduct business according to the Swedish Banking and Financing Act (2004:297) or similar business, also to conduct said business on its own – mainly to support and complement – and that do not require 	<p>The object of the Company’s business is to, in accordance with the Swedish Banking and Finance Act (2004:297), directly, via branches and through subsidiaries, and may thus:</p> <ol style="list-style-type: none"> 1. Borrow funds, for example by accepting deposits from the general public or issuing bonds or other comparable debt instruments;

<p>permit or license according to above mentioned act;</p> <ul style="list-style-type: none"> - manage or administrate real estate or other assets, either on its own or through subsidiaries or associated companies; - provide administrative, consulting and management services mainly to subsidiaries or associated companies; and - conduct other activities compatible therewith. 	<ol style="list-style-type: none"> 2. Grant or broker loans, for example in the form of consumer credits and loans secured by charges over real property or claims; 3. Participate in financing, for example in acquiring claims and leasing personal property; 4. Negotiate payments; 5. Provide means of payments; 6. Issue guarantees and assume similar obligations; 7. Participate in the issuance of securities; 8. Provide financial advice; 9. Hold securities in safekeeping; 10. Conduct letters of credit operation; 11. Provide bank safety deposit services; 12. Engage in currency trading; 13. Engage in securities operations subject to the conditions prescribed in the Securities Markets Act (SFS 2007:528); and 14. Provide credit information subject to the conditions subscribed in Credit Information Act (SFS 1973:1173). <p>And to, within the framework of the Swedish Banking Finance Act (2004:297), operate other areas of business in conjunction with this, e.g. collecting and owning management real property, lease holds and shares and provide advice and service in connection therewith.</p>
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For a valid decision 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.

Stockholm, March 2017
Hoist Finance AB (publ)
The Board of Directors

