

DRAFT TERMS OF CONVERSION
IN RELATION TO THE CONVERSION OF

MULTITUDE SE

INTO A PUBLIC LIMITED LIABILITY COMPANY

_____, 2024

MULTITUDE SE is currently a *societas europaea* registered in Malta bearing company registration number SE ____, having its registered office situated at ST Business Centre 120, The Strand, Gzira, GZR 1027, Malta (the “**Company**”). It is proposed that the Company be converted into a public limited liability company (the “**Conversion**”) as defined under Article 2 of the Companies Act, Chapter 386 of the laws of Malta (the “**Act**”) (“**Public Company**” or “**p.l.c.**”) in accordance with the provisions of Article 66 of the Council Regulation (EC) No. 2157/2001 of 8 October, 2001 (the “**SE Regulation**”).

These draft terms (the “**Terms of Conversion**”) have been produced by the board of directors of the Company, as the management or administrative organ of the Company (the “**Board of Directors**”), in connection with Conversion to explain and justify the economic and legal aspects of the Conversion, and to define the implications of the Conversion for the Company’s shareholders (the “**Shareholders**”) and employees.

The Conversion will be subject to, amongst other things, the Shareholders approving the Conversion in accordance with the terms set out in this document during an extraordinary general meeting of the Company.

The Board of Directors believe that the Conversion is in the best interests of the Company and the Shareholders, and recommend that the Shareholders vote to approve the Terms of Conversion and the Conversion.

I. BACKGROUND TO THE CONVERSION

The conversion of the Company into a p.l.c. is part of a wider relocation project wherein the Company intends to ultimately redomicile to Switzerland. The reasons for the transfer to Switzerland are strategic. Since its incorporation in Finland, the Company’s operations have expanded across Europe and the world, with operative actions in several countries. In addition, the majority of the Company’s Shareholders are Swiss residents.

Until recently the Company was registered as a Finnish SE. A direct transfer of the Company’s registered office from Finland to Switzerland while maintaining its legal personality was not a feasible option since Finnish law does not allow for a relocation of a company’s registered address from Finland to a country outside of the European Economic Area (“**EEA**”) while maintaining a company’s legal personality. For this reason, the Company’s registered office has been transferred to Malta pursuant to Article 8 of the SE Regulation, and it is now being proposed to convert the Company into a p.l.c. such that the Company will be able to avail itself of Maltese laws permitting the Company’s relocation from Malta to Switzerland whilst maintaining its legal personality.

With the above in mind, the Company's Board of Directors believes the Conversion should best position the Company to seamlessly continue carrying on its current undertaking and future business plans.

II. CURRENT STRUCTURE OF THE COMPANY AND CHANGES TO BE EFFECTED BY THE CONVERSION

a. Activity

The business and objectives of the Company's corporate group in Malta and elsewhere, include trade and financial activities, including the acquisition of and investment in shareholdings as a holding company in foreign companies, and any other similar business in accordance with decisions of the Board of Directors.

The Company is also the indirect parent company of Multitude Bank p.l.c. (Registration Number: C 56251) (formerly known as Ferratum Bank p.l.c.), licensed by the European Central Bank and the Malta Financial Services Authority. Through this Maltese entity, the Company's corporate group has been providing financial services and products to EEA member states.

There will be no change to the business and objectives of the Company's corporate group as a result of the Conversion.

b. Legal Status

Pursuant to Article 66(2) of the SE Regulation, the Conversion will result in neither the winding up of the company, nor the creation of a new legal person.

Following the Conversion and as from its registration with the Malta Business Registry ("**MBR**") as a Public Company, the Company will continue its activity in the form of a Public Company.

c. Other Changes

An overview of other core changes to be effected on the Conversion taking place is as follows:

	Current Position	With effect from Conversion
Legal Form	The Company is a <i>societas europaea</i> registered in Malta.	Upon the Conversion, the Company will be a Public Company registered in Malta.

Company Name	Multitude SE	Multitude p.l.c.
Share Capital	<p>The authorised share capital of the Company is currently EUR 185,000,000 divided into 100,000,000 Ordinary Shares having nominal value of EUR 1.85 each.</p> <p>The issued share capital of the Company is currently EUR 40,189,326 divided into 21,723,960 Ordinary Shares having nominal value of EUR 1.85 each.</p>	The authorised and the issued share capital of the Company will not be affected by the sole fact of the Conversion.
Applicable Law	<p>The Company is regulated by its Memorandum and Articles of Association ("M&A") and is governed by:</p> <ul style="list-style-type: none"> i. The SE Regulation; ii. Council Directive 2001/86/EC of 8 October 2001 supplementing the statute for a European Company with regard to the involvement of employees; and iii. the legislative and regulatory provisions in force in Malta, which apply to a Maltese Public Company generally, including the Act. 	On Conversion, the Company will be operated in accordance with its M&A (as amended to reflect the change in the Company's name from 'Multitude SE' to 'Multitude p.l.c.') and will be governed by the legislative and regulatory provisions in force in Malta, which apply to a Maltese Public Company generally, including the Act.
Constitution	A copy of the current M&A is available on the MBR's website.	The Company will adopt a revised version of the M&A with effect from the Conversion

		<p>in place of the current M&A in order to reflect the requirements at law in relation to Maltese Public Companies. A draft of the revised version of the M&A is attached to these Terms of Conversion, marked as Annex 1, (the "Revised M&A").</p> <p>Upon the Conversion becoming effective, the Shareholders will continue to enjoy materially equivalent rights as they do now under the current M&A.</p>
Operation	The Company's affairs are entrusted to a Board of Directors which currently consists of six directors.	Following the Conversion, the Company's affairs will continue to be managed by the Company's Board of Directors.

III. CONVERSION CONDITIONS

A *societas europaea*, constituted under the laws of a Member State and having its registered office and head office in the European Union, may transform itself into a Public Company registered in Malta provided that the requirements set out under Article 66 of the SE Regulation are satisfied.

The requirements are as follows, and have been met as indicated:

Condition	Current Position
<p><u>Article 66(1)</u></p> <p>No decision on conversion may be taken:</p> <ul style="list-style-type: none"> i. before two years have elapsed since its registration; or ii. before the first two sets of 	<p><i>Fulfilled:</i></p> <ul style="list-style-type: none"> i. The Company was registered as a <i>societas europaea</i> on 15th June, 2021. ii. Since its registration as an SE, the Company has approved three sets of annual accounts (those of 2021, 2022

annual accounts have been approved.	and 2023).
<u>Article 66(5)</u> One or more independent experts shall certify that the company has assets at least equivalent to its capital.	<i>Fulfilled:</i> PwC (Malta) will be issuing a statement closer to the date of the holding of the Company's extraordinary general meeting, confirming that the Company has assets at least equivalent to its capital.
<u>Article 66(6)</u> The general meeting of the SE shall approve the draft terms of conversion together with the statutes of the public limited-liability company.	<i>Fulfilled:</i> An extraordinary general meeting will be held at least one month after the Terms of Conversion are publicised by the MBR in accordance with Article 3 of Directive 68/151/EEC, in order to approve the Terms of Conversion and the Revised M&A.

IV. IMPLICATIONS OF THE CONVERSION

a. Implications for the Shareholders

The Company's shares are listed on the Frankfurt Stock Exchange ("FSE") and they will continue to be so-listed once the Conversion becomes effective. The FSE has consented to the proposed Conversion.

The Conversion will not affect the rights of the Shareholders who will become shareholders of Multitude p.l.c. without any action or formality required from them, other than the required approval at the extraordinary general meeting.

The Conversion will also not affect the percentage of the voting rights in the Company as held by each Shareholder.

The Conversion is not expected to have an impact on the value of the shares of Multitude p.l.c. The number of shares issued by the Company will not be affected by the Conversion.

b. Implications for the employees

The Company and its subsidiaries employ an aggregate of 704 employees. The Conversion shall not adversely affect the said employees' employment or any rights arising therefrom and there will be no change or effect whatsoever on the employees' employment agreements.

Upon the Conversion becoming effective, the Company will no longer be required to retain in place the employee involvement agreement drawn-up in accordance with the requirements of Council Directive 2001/86/EC of 8 October 2001 supplementing the statute for a European Company with regard to the involvement of employees. Indeed, the Company's board of directors is proposing that such an agreement will no longer remain in effect as from 31 December 2024. The employees' right to information and consultation shall, however, remain subject to the Employee (Information and Consultation) Regulations (S.L.452.96 of the Laws of Malta).

V. CONVERSION TERMS AND PROCESS

a. Conversion auditors and confirmation statement

In accordance with provisions of Article 66(5) of the SE Regulation, it is a condition of the Conversion that the Company must have assets at least equivalent to its capital.

PwC (Malta) will be issuing a report closer to the date of the general meeting of the Company approving the conversion confirming that the Company does have assets at least equivalent to its capital.

b. Approval of the Terms of Conversion and the Revised M&A

The Conversion, the Terms of Conversion, and the adoption by the Company of the Revised M&A are subject to the approval of the Shareholders through a general meeting of the Company.

c. Effective Date of the Conversion

Subject to the General Meeting approving the Conversion, the Terms of Conversion and the Revised M&A, the Conversion will take effect on the date the MBR issues a certificate of registration confirming the effective date of the Conversion.

NAME:

Director

As duly authorised by the Board of Directors