

DIRECTORS' REPORT IN RELATION TO  
THE CONVERSION OF  
**MULTITUDE SE**  
INTO A PUBLIC LIMITED LIABILITY COMPANY

In terms of Article 66 of the Council Regulation (EC) No. 2157/2001 of 8 October, 2001 (the “**SE Regulation**”) the Board of Directors of MULTITUDE SE, 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**”) has drawn up the following report in relation to the conversion of the Company into a public limited liability company 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 SE Regulation (the “**Conversion**”).

## **1. Reasons for 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 and Swiss 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 carry on its current undertaking and future business plans.

## **2. Expected consequences for the activities.**

Upon the Conversion becoming effective, the Company will be a Public Company registered in Malta. The authorised and the issued share capital of the Company will not be affected by the sole fact of the Conversion.

On Conversion, the Company will adopt a revised version of the memorandum and articles of association primarily reflecting the change in the Company's name from 'Multitude SE' to 'Multitude p.l.c.'. The Company will continue to be governed by the legislative and regulatory

provisions in force in Malta which apply to a Maltese Public Company generally, including the Act.

### **3. Explanation from a legal, economic and social perspective.**

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.

Upon the Conversion becoming effective, the shareholders of the Company will continue to enjoy materially equivalent rights as they do now under the current M&A and Maltese law. 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.

Following the Conversion, the Company's operations will remain substantially unchanged and its affairs will continue to be managed by its Board of Directors.

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).

This Report was approved by the Board of Directors of Multitude SE by means of a board resolution adopted on .....

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NAME:

*Director*

*As duly authorised by the Board of Directors*