



Helsinki, 8.1.2019

Dear Investors,

The new year brings new beginnings and today, we are pleased to share our first Ferratum newsletter with you. As part of a refresh of how we communicate, this newsletter will provide you with more informal updates, in addition to our regular reporting calendar and announcements.

On our new IT platform

Our new IT platform, the FerraOS (Operating System) as part of our Smart IT programme, is a next generation IT foundation, which we can run our current and future business on. It was successfully rolled out in pilot phase in October in New Zealand and is working well. As a next step, we have launched our Credit Limit product as a new product in New Zealand and done this on the new platform. We conduct thorough testing on all aspects before we introduce the platform more broadly.

When asked to describe the new IT platform and what benefits it brings, our Chief Architect, David Kalosi, said:

"Up to 90% of the platform is common and reusable because of its microservice based architecture. You can think of what we built as a box of Lego bricks, you can put different bricks together to build different shapes and they always fit. In our case the bricks are standardized IT components and integrations. As a result of this process, we were able to reduce IT development needs, increase our agility in delivering new products and solutions, and by introducing extensive automation within all areas of our IT department, cut down on operational and maintenance tasks."

Evolution of our product strategy

Our strategy of diversifying our products with larger, longer-term loans at lower interest rates has been ongoing now for a while and we see it bringing us new opportunities.

Some of the upsides with this evolution that we see are that we can generate cumulatively more revenue per customer and at the same time we attract more customers as we are entering a far larger market of consumers, which we see as a great opportunity. We see that we can keep our good competitive advantage to traditional banks in this segment, as our offering remains faster, more convenient, mobile and hassle-free. In the meanwhile, we still also continue to grow with Credit Limit and PlusLoans.

This product evolution we do in moderate and very controlled steps, as this requires according changes in marketing, customer segmentation, funding and risk management. In 2019, we are ready and in a good position to take further evolutionary steps and give especially our Prime Loan business more focus and volume. Our plan is to introduce Prime Loans into two or three more markets over the course of 2019 and to moderately develop the lending volume.



New website live

Just before Christmas we launched our new, corporate website under www.ferratumgroup.com. We look forward to welcoming you on the site and receiving feedback on how we can even better serve your needs in the future.

Kind regards,

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