



MULTITUDE

MULTITUDE CAPITAL OYJ

Listing of EUR 100,000,000 Senior Bonds due 2028

The Bonds were issued in denominations of EUR 1,000

On 27 June 2024, Multitude Capital Oyj (the “**Issuer**” or the “**Company**”) issued senior guaranteed unsecured callable floating rate Bonds with an initial principal amount of EUR 80,000,000 (the “**Initial Bonds**”) based on an authorisation given by the Issuer’s Board of Directors on 30 May 2024 in accordance with terms and conditions for senior guaranteed unsecured bonds dated 26 June 2024 (the “**Terms and Conditions**”). Under and in accordance with the Terms and Conditions, the Issuer further issued on 17 December 2024 (the “**Subsequent Issue Date**”) subsequent senior guaranteed unsecured callable floating rate Bonds with an aggregate principal amount of EUR 20,000,000 (the “**Subsequent Bonds**”, and jointly with the Initial Bonds, the “**Bonds**”) based on an authorisation given by the Issuer’s Board of Directors on 16 December 2024. The Bonds were issued in denominations of EUR 1,000. The Initial Bonds were offered for subscription through a book-building procedure (the “**Initial Bond Offering**”). The Issuer subscribed the Subsequent Bonds in full (the “**Subsequent Bond Issue**”) and expects to sell the Subsequent Bonds to selected investors at a later stage. The Bonds bear interest at the rate of EURIBOR three (3) months plus a margin of 6.75 per cent. per annum. The maturity of the Bonds is on 27 June 2028, unless the Issuer prepays the Bonds in accordance with the terms and conditions of the Bonds. EURIBOR (or any reference rate replacing EURIBOR) may upon certain replacement events be replaced with another reference rate in accordance with the terms and conditions of the Bonds.

This listing prospectus (the “**Prospectus**”) contains information on the Initial Bond Offering, the Subsequent Bond Issue and the Bonds. The Prospectus has been prepared solely for the purpose of admission to listing of the Bonds on the corporate bond list of Nasdaq Stockholm Aktiebolag, reg. 556420-8394 (“**Nasdaq Stockholm**”) and does not constitute any offering of the Bonds. Application will be made for the Bonds to be admitted to trading on the corporate bond list of Nasdaq Stockholm (the “**Listing**”), and the Listing is expected to take place on or about 27 December 2024, provided that Nasdaq Stockholm approves the listing application.

**The validity of this Prospectus expires when the Bonds have been admitted to trading on the corporate bond list of Nasdaq Stockholm. The obligation to supplement the Prospectus in the event of significant new factors, material mistakes or material inaccuracies does not apply when the Prospectus is no longer valid.**

Besides filing this Prospectus with the Finnish Financial Supervisory Authority (the “**FIN-FSA**”) and the intended filing of application to Nasdaq Stockholm, neither the Issuer nor the Joint Bookrunners (as defined hereafter) have taken any action, nor will they take any action to render the public offer of the Bonds in any jurisdiction or their possession, or the distribution of this Prospectus or any other documents relating to the Bonds admissible in any other jurisdiction than Finland, Sweden or Norway requiring special measures to be taken for the purpose of public offer.

The Bonds have not been, and will not be, registered under the U.S. Securities Act 1933, as amended (the “**Securities Act**”) or with any securities regulatory authority of any state of the United States. The Bonds may not be offered, sold, pledged or otherwise transferred directly or indirectly within the United States or to, or for the account or benefit of, U.S. Persons (as defined in Regulation S under the Securities Act (“**Regulation S**”)), except to a person who is not a U.S. Person (as defined in Regulation S) in an offshore transaction pursuant to Regulation S.

As at the date of this Prospectus, the Bonds have been rated by the international credit rating agency Fitch Ratings Inc with a rating B+/RR4. Multitude P.L.C. (the “**Guarantor**”), which has guaranteed the Bonds, has been rated by the international credit rating agency Fitch Ratings Inc with a rating B+, with a positive outlook. The Issuer has not been assigned any credit rating at the request or with the co-operation of the Issuer in the rating process. **A rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning credit rating agency.**

**Investment in the Bonds involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Bonds are discussed under “Risk Factors” below. Investors should make their own assessment as to the suitability of investing in the Bonds.**

*Joint Bookrunners:*

Arctic Securities AS

Pareto Securities AB

## IMPORTANT INFORMATION

This Prospectus has been drawn up in accordance with the Regulation (EU) 2017/1129 of the European Parliament and of the Council, as amended (the “**Prospectus Regulation**”), the Commission Delegated Regulation (EU) 2019/979, as amended and the Commission Delegated Regulation (EU) 2019/980, as amended, in application of the Annexes 6, 14 and 21 thereof. The FIN-FSA, which is the competent authority for the purposes of the Prospectus Regulation and relevant implementing measures in Finland, has approved the Prospectus (journal number FIVA/2024/1965) but assumes no responsibility for the correctness of the information contained herein. The FIN-FSA has only approved this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval shall not be considered as an endorsement of the qualities of the Bonds nor the Issuer. The Issuer has requested the FIN-FSA to notify the competent authority of Sweden, the Swedish Financial Supervisory Authority (*Finansinspektionen*), with a certificate of approval attesting that the Prospectus has been drawn up in accordance with this the Prospectus Regulation. This Prospectus has been prepared in English only. In accordance with Article 7 of the Prospectus Regulation, a summary has been prepared in English and, in accordance with Article 25 of the Prospectus Regulation, the summary has been translated into Swedish. The Issuer accepts responsibility regarding the information contained in the Swedish translation of the summary.

In this Prospectus, the “**Group**” and “**Multitude**” refer to Multitude P.L.C. and its subsidiaries and associated companies (including the Issuer), on a consolidated basis, except where the context may otherwise require. All references to the “**Issuer**” and the “**Company**” refer to Multitude Capital Oyj, except where the context may otherwise require. All references to the “**Guarantor**” refer to Multitude P.L.C., except where the context may otherwise require.

This Prospectus should be read in conjunction with all documents which are deemed to be incorporated herein by reference and shall be read and construed on the basis that such documents are incorporated and form part of this Prospectus. See “*Information Incorporated by Reference*”.

Arctic Securities AS and Pareto Securities AB have acted as the joint bookrunners in connection with the issue of the Bonds (the “**Joint Bookrunners**”) and Pareto Securities AB has acted as the bookrunner in connection with the issue of the Subsequent Bonds. The Joint Bookrunners or Pareto Securities AB, as applicable, are not acting for anyone else in connection with the Initial Bond Offering, the Subsequent Bond Issue or the Listing and will not be responsible to anyone other than Multitude for providing the protections afforded to their respective clients nor for providing any advice in relation to the Listing or the contents of this Prospectus.

Potential investors should rely only on the information contained in this Prospectus, including information incorporated by reference into this Prospectus. Neither Multitude nor the Joint Bookrunners have authorized any person to provide any information or to give any statements not contained in or not consistent with this Prospectus and, if given or made, such information or representation should not be relied upon as having been authorised by the Issuer and the Joint Bookrunners. The Joint Bookrunners have not independently verified the information contained herein. The Joint Bookrunners assume no responsibility, except for statutory liability, for the accuracy or completeness of the information in this Prospectus and, accordingly, disclaim to the fullest extent permitted by law, any and all liability which it might otherwise be found to have in respect of this Prospectus or any such statement. Delivery of this Prospectus nor any sale made hereunder, shall not, under any circumstances, create any implication that there has been no change in the affairs of Multitude since the date of this Prospectus or that the information herein is correct as of any time subsequent to the date of this Prospectus (excluding historical information and historical financial information) and nothing contained in this Prospectus is, or shall be relied upon as, a promise by Multitude or the Joint Bookrunners as to the future. However, if a fault or omission is discovered in this Prospectus before the Listing and such fault or omission may be of material importance to investors, this Prospectus shall be supplemented in accordance with the Prospectus Regulation. Unless otherwise stated, any estimates with respect to market development relating to the Group or its industry are based upon the reasonable estimates of the Company’s management.

In making an investment decision, each investor should rely on their examination, analysis and enquiry of Multitude and the terms and conditions of the Bonds, including the risks and merits involved. Neither Multitude, nor the Joint Bookrunners, nor any of their respective affiliated parties or representatives, is making any representation to any offeree or subscriber of the Bonds regarding the legality of the investment by such person. Investors are advised to make their independent assessment of the legal, tax, business, financial and other consequences of an investment in the Bonds.

This Prospectus has been prepared solely in connection with the Listing. It does not constitute an offer of securities for sale, or a solicitation of an offer to buy any securities, anywhere in the world.

The distribution of this Prospectus may, in certain jurisdictions, be restricted by law, and this Prospectus may not be used for the purpose of, or in connection with, any offer or solicitation by anyone in any jurisdiction in which such offer or solicitation is not authorised or to any person to whom it is unlawful to make such offer or solicitation. No actions have been taken to register or qualify the Bonds, or otherwise to permit a public offering of the Bonds, in any jurisdiction. Multitude and the Joint Bookrunners expect persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. Neither Multitude nor the Joint Bookrunners accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of Bonds is aware of such restrictions. In particular the Bonds may not be offered, sold, resold, transferred or delivered, directly or indirectly, in or into the United States, Australia, Canada, Hong Kong, Japan, New Zealand, Singapore, South Africa or any other jurisdiction in which it would not be permissible to offer the Bonds and this Prospectus may not be sent to any person in the beforementioned jurisdictions.

Save for the Issuer’s audited special purpose financial statements for the period ending 30 June 2024, the Group’s audited consolidated financial statements as at and for the financial year ended 31 December 2023, including the audited restated comparative consolidated financial information for the financial year ended 31 December 2022, and the Group’s audited consolidated financial statements as at and for the financial year ended 31 December 2022, including the audited restated comparative consolidated financial information for the financial year ended 31 December 2021, in each case incorporated by reference into this Prospectus, no part of this Prospectus has been audited.

EURIBOR constitutes a benchmark according to the regulation (EU) 2016/1011, as amended (the “**Benchmark Regulation**”). As at the date of this Prospectus, the administrator of EURIBOR, the European Money Markets Institute, appears on the register of administrators and benchmarks established and maintained by European Securities and Markets Authority (ESMA) pursuant to Article 36 of the Benchmark Regulation.

The Initial Bond Offering, the Subsequent Bond Issue and the Bonds are governed by Swedish law and any dispute arising in relation to the Initial Bond Offering, the Subsequent Bond Issue and the Bonds shall be settled exclusively by Swedish courts in accordance with Swedish law.

Solely for the purposes of the manufacturer’s (as used herein, “**Manufacturer**” refers to the Joint Bookrunners) product approval process, the target market assessment in respect of the Bonds has led to the conclusion that: (i) the target market for the Bonds is eligible counterparties, professional clients and retail clients, each as defined in Directive 2014/65/EU (as amended, “**MiFID II**”); and (ii) all channels for distribution of the Bonds to eligible counterparties, professional clients and retail clients are appropriate. Any person subsequently offering, selling or recommending the Bonds (a “**Distributor**”) should take into consideration the Manufacturer’s target market assessment; however, a Distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Bonds (by either adopting or refining the Manufacturer’s target market assessment) and determining appropriate distribution channels. For the avoidance of doubt, the target market assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Bonds.

As the Bonds are not deemed to fall within the scope of Regulation (EU) No 1286/2014, as amended, no PRIIPs key information document (KID) has been prepared.

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## SUMMARY

### Introduction and Warnings

*This summary contains all the sections required by the Prospectus Regulation to be included in a summary for this type of securities and issuer. This summary should be read as an introduction to the Prospectus. Any decision to invest in the securities of the Issuer should be based on consideration of the Prospectus as a whole by the investor.*

*An investor investing in the securities could lose all or part of the invested capital. Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under applicable law, have to bear the costs of translating the Prospectus before legal proceedings are initiated. The Issuer assumes civil liability in respect of this summary including translation thereof only if it is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the securities.*

The contact details of the Issuer are as follows:

Issuer:	Multitude Capital Oyj
Address:	Ratamestarinkatu 11 A, FI-00520 Helsinki, Finland
Telephone:	+358 50 3539595
Business code:	3454519-9
Legal entity identifier (LEI):	254900MZD3U3EEN29H19

The contact details of the Guarantor are as follows:

Guarantor:	Multitude P.L.C.
Address:	ST Business Centre, 120, the Strand, Gzira, GZR 1027, Malta
Telephone:	+35620927700
Registration number:	C 109441
Legal entity identifier (LEI):	74370078YLPFWHE33716

The details of the Bonds are as follows:

ISIN:	NO0013259747
Name:	Multitude Capital Oyj Senior Guaranteed Unsecured Bonds due 2028

This Prospectus has been approved by the FIN-FSA as the competent authority under the Prospectus Regulation on 18 December 2024.

The identity and contact details of the competent authority, the FIN-FSA, approving the Prospectus are as follows:

Authority:	Financial Supervisory Authority
Address:	P.O. Box 103, FI-00101 Helsinki, Finland
Telephone:	+358 9183 51
Email address:	kirjaamo@finanssivalvonta.fi

### Key Information on the Issuer and the Guarantor

#### *Who Is the Issuer of the Securities and the Guarantor of the Securities?*

##### *General*

The business name of the Issuer is Multitude Capital Oyj and it is domiciled in Helsinki, Finland. The Issuer is registered with the Finnish Trade Register under business identity code 3454519-9 and its legal entity identifier code (LEI) is 254900MZD3U3EEN29H19. The Issuer is a public limited liability company incorporated in Finland and operating under Finnish law.

The parent of the Issuer and the Group, Multitude P.L.C. (the "**Guarantor**"), has guaranteed the Bonds. The Issuer is a wholly owned subsidiary of the Guarantor. The Guarantor is a public limited liability company (originally incorporated in Finland), currently domiciled in Griza, Malta and organised under the laws of Malta. The Guarantor is in the process of relocating its registered office from Finland to Switzerland. The first phase of the ongoing relocation, a temporary relocation from Finland to Malta, was completed on 30 June 2024 and thus, the Guarantor is currently registered with the Malta Business Registry (registration number C 109441). The Guarantor's legal entity identifier code (LEI) is 74370078YLPFWHE33716.

### *Principal Activities*

The Issuer is a newly established Group company and is wholly owned by the Guarantor. The Issuer currently does not engage in any business operations of the Group directly but provides funds to the Group's operating subsidiaries for their lending activities.

The Guarantor's field of activity includes the acquisition, holding, buying, and selling of shares, stocks, bonds, debentures, and other securities; investing the company's funds and assets as deemed appropriate; lending and advancing money, providing credit, guarantees, and security to companies within the Group; and receiving and transferring funds within the Group. The Guarantor is the parent company of the Group and currently does not engage in any business operations of the Group directly.

The Group is a group of financial technology companies that develop and operate a big data based global financial platform for real-time scoring, lending and banking services. The Group is a specialist in particular online processes with a centralised technology infrastructure and sales experts. The Group views itself as a pioneer in digital and mobile financial services technology, and therefore the Group being at the forefront of the digital banking revolution. The Group has EU wide banking licence and it provides mobile banking and digital consumer and small business loans on an international basis, distributed and managed by mobile devices.

The Group currently operates through three business segments: Consumer banking (Ferratum), SME<sup>1</sup> banking (CapitalBox) and Wholesale banking (Multitude Bank), offering its customers fast and easy-to-use mobile lending and banking services, unsecured digital consumer loans and small business loans as well as professional secured loans. Consumer banking, facilitating some 87 per cent. of the Group's revenues, provides consumers across 13 markets with unsecured digital consumer loans. SME banking, facilitating some 11 per cent. of the Group's revenues, provides unsecured and secured business loans for small and medium sized enterprises in five (5) European markets. Wholesale banking, facilitating some 3 per cent. of the Group's revenues, provides secured debt and payment services for non-bank lender, EMIs and other FinTechs as well as for some other selected industries.<sup>2</sup>

The Group constitutes of autonomous businesses for financial services in their own individual business units of financial services. These independent business units accelerate building their own gravity by focusing on their own business unit and brand, while leveraging the backbone resources of the Group in e.g. data analytics and handling, scoring, technology, legal experience and full European banking licence. The ecosystem also allows strong networking effects between businesses, leading to strong bench marking, cross sales, and overall increased synergies for exponential development.

### *Major Shareholders*

As at the date of this Prospectus, the Guarantor controls all the shares in the Issuer and Jorma Jokela, the CEO of the Guarantor, owns and controls approximately 55 per cent. of the shares in the Guarantor directly and indirectly through corporations over which he exercises control. Accordingly, the Guarantor has control over the Issuer as referred to in Chapter 2, Section 4 of the Finnish Securities Market Act (Fi: *arvopaperimarkkinalaki*, 746/2012)

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<sup>1</sup> SME stands for small and medium-sized enterprises.

<sup>2</sup> The figures in this paragraph are unaudited.

while, through his direct and indirect ownership of approximately 55 per cent. of the shares in the Guarantor, and Jorma Jokela has *de facto* control over the Guarantor.

#### *Key Managing Directors and Statutory Auditors*

The sole member of the Board of Directors of the Issuer is Bernd Egger. The sole deputy member of the Board of Directors of the Issuer is Lucian-Ioan Gagea.

The members of the Board of Directors of the Guarantor are Ari Tiukkanen (Chairman), Marion Khüny, Goutam M. Challagalla, Kristiina Leppänen, Lea Liigus and Jorma Jokela.

The Guarantor's Management Team consists of Jorma Jokela (CEO), Lea Liigus, Bernd Egger, Adam Tønning, Clemens Krause, Shaun Vella, Kornel Kabele, Antti Kumpulainen, Alain Nydegger, Kristjan Kajakas, Lasse Mäkelä and Mantvydas Štareika.

The Issuer's statutory auditor is PricewaterhouseCoopers Oy, Authorised Public Accountant Firm, with Jukka Paunonen, Authorised Public Accountant as the auditor with principal responsibility. The registered address of PricewaterhouseCoopers Oy is PL 1015, FI-00101 Helsinki, Finland.

The Guarantor's statutory auditor is PricewaterhouseCoopers Malta, Authorised Public Accountant Firm, with Stephen Mamo, Authorised Public Accountant, as the auditor with principal responsibility. The registered address of PricewaterhouseCoopers Malta is 78 Mill Street, Zone 5, Central Business District, Qormi, CBD 5090, Malta.

#### *What Is the Key Financial Information Regarding the Issuer and the Guarantor?*

The selected historical key financial information presented below has been derived from the Issuer's audited financial statements for the period 6 June 2024 – 30 June 2024 (prepared in accordance with the International Financial Reporting Standards (the "**IFRS**")) and from Multitude's unaudited Q3 interim report for the nine months ended 30 September 2024, including unaudited restated comparative financial information for the nine months ended 30 September 2023 (prepared in accordance with the IFRS), the Guarantor's audited financial statements as at and for the financial year ended 31 December 2023, including including the audited comparative financial information for the financial year ended 31 December 2022 and the Guarantor's unaudited financial information as at and for the six months ended 30 June 2024, including unaudited comparative financial information as at and for the six months ended 30 June 2023 (prepared in accordance with the Finnish Accounting Standards (the "**FAS**")), and Multitude's audited consolidated financial statements as at and for the financial year ended 31 December 2023, including the audited restated comparative consolidated financial information for the financial year ended 31 December 2022 (prepared in accordance with the IFRS).

The following table sets forth the key figures of the Issuer, the Guarantor and Multitude for the dates and periods indicated:

#### **The Issuer**

	As at and for the 6 June 2024 – 30 June 2024 period As at 30 June 2024 <sup>3</sup>
<b>(EUR in millions, unless otherwise indicated)</b>	
<b>KEY FIGURES</b>	
EBIT <sup>4</sup>	0.1
Profit or loss for the period	-113
Net debt	21.0
Net debt to equity	-0.002
Net cash flows from operating activities	50.1
Net cash flows from financing activities	0.1

<sup>3</sup> Profit or loss for the period, and net cash flows from operating and investing activities are audited, EBIT, net debt and net debt to equity are unaudited.

<sup>4</sup> Earnings before interest and taxes. EBIT is also called operating profit.

## The Guarantor<sup>5</sup>

	As at and for the six-month period ended 30 June		As at and for the year ended 31 December	
	2024	2023	2023	2022
<b>(EUR in millions, unless otherwise indicated)</b>				
<b>KEY FIGURES</b>				
EBIT	7.63	2.44	-5.4	-12.9
Profit or loss for the period	-1.2	-4.0	6.3	-9.3
Net debt	132.4	103.4	139.4	111.8
Net debt to equity	0.67	0.82	1.47	1.23
Net cash flows from operating activities	-3.6	-4.0	-11.7	-6.7
Net cash flows from financing activities	10.8	-3.4	23.1	-56.2
Net cash flows from investing activities	6.9	0.3	-19.3	28.6

## The Group

	As at and for the nine- month period ended 30 September <sup>6</sup>		As at and for the year ended 31 December <sup>7</sup>	
	2024	2023	2023	2022 (restated)
<b>(EUR in millions, unless otherwise indicated)</b>				
<b>KEY FIGURES</b>				
EBIT	47.2	33.2	45.6	31.5
Profit or loss for the period	12.7	12.5	16.4	11.8
Net debt	613.1	468.2	523.5	419.9
Net debt to equity	3.27	2.54	2.85	2.33
Net cash flows from operating activities	-25.6	35.15	157.8	-34.3
Net cash flows from financing activities	19.11	-12.08	-15.4	-100.7
Net cash flows from investing activities	-10.06	-9.05	-11.8	-10.9

<sup>5</sup> For full financial years, EBIT, net debt and net debt to equity figures are unaudited and other figures are audited. H1 figures are unaudited.

<sup>6</sup> All figures as at 30 September are unaudited.

<sup>7</sup> Save for net debt to equity figures, all full-year figures in this table are audited.

The following is a reproduction of the auditor's other statements based on law and remarks from the auditor's report relating to Multitude's audited consolidated financial statements as at and for the financial year ended 31 December 2022:

*As required by chapter 7, section 8, paragraph 2 of the Securities Markets Act (746/2012) we state, that the half-yearly financial report for period 1 January - 30 June 2022 ("**H1 2022 Report**") has not, in our opinion, been prepared in accordance with the provisions thereon, as the half-yearly financial report has not been prepared in accordance with the same recognition and measurement principles as in the annual financial statements (Securities Markets Act (746/2012) chapter 7, section 11). Loans to customers have not been classified as current or non-current assets in accordance with the classification criteria, and cash flows arising from deposits from customers have not been classified as cash flows from financing activities, and brokerage fees, which are transaction costs directly attributable to granting of loans to customers and collecting deposits from customers, have not been accounted as an integral part of the effective interest of originated loans and deposits received.*

*We state as remarks, that as described in the Other Opinions based on Statutory Law section of our report, the half-yearly financial report for period 1 January - 30 June 2022 ("**H1 2022 Report**") has not, in our opinion, been prepared in accordance with the provisions thereon, and that neither the half-yearly financial report nor the other interim reports have been corrected without delay (Securities Markets Act (746/2012) chapter 1, section 3).*

As at the date of this Prospectus, the Guarantor's credit rating is B+ (positive) given by Fitch Ratings and the Issuer has not been assigned any credit rating.

#### **What Are the Key Risks That Are Specific to the Issuer and the Guarantor?**

- Negative public perception and press coverage of short-term unsecured consumer loans may result in a decrease in demand for the Group's products.
- Adverse developments in consumers spending resulting from macroeconomical factors, such economic slowdown or pandemic, could have an adverse effect on consumer spending and thereby negatively effect to the Group's results of operations.
- The Group is exposed to the evaluation of the creditworthiness of customers and pricing of the consumer loan products.
- The Group may not be able to maintain sufficient risk provisions for expected credit losses and the actual credit losses could be greater than the provisions accounted for to cover such losses.
- The Group may be unsuccessful in establishing its new business unit or otherwise implement its strategy or carrying out the strategy could prove to be costlier than expected.
- The Group may be exposed to disruptions in information systems or external telecommunication infrastructure worldwide which could result in fraudulent transactions and impair the Group's ability to supply its products to its customers.
- The Group faces a high-level of competition in the short-term lending industry.
- There may not be sufficient demand for the Group's products or the Group may failure to develop innovative and attractive products.
- The Group is obligated to comply with consumer protection laws, other local legal and regulatory requirements and European law, which may be subject to change and result in unexpected costs.
- The Group may not be able to maintain the required licences to operate in the consumer loan business.
- The Group is exposed to exchange rate risk.

#### **Key Information on the Securities**

##### **What Are the Main Features of the Securities?**

The Bonds constitute direct, unconditional and unsecured obligations of the Issuer ranking *pari passu* between themselves and at least *pari passu* with the unsecured obligations of the Issuer, save for obligations which are mandatorily preferred by law. The bonds have been given a credit rating of B+/RR4 by Fitch Ratings.



The Bonds are dematerialised securities in book-entry form and registered in the book-entry system maintained by Euronext VPS, the Norwegian Central Securities Depository Verdipapirsentralen ASA. The ISIN of the Bonds is NO0013259747. The currency of the Bonds is the euro ("EUR"). The Initial Bonds were issued in denominations of EUR 1,000 (priced at 97.60 per cent.). The Subsequent Bonds were issued with an issue price of 100 per cent. The aggregate nominal amount of the Bonds as at the First Issue Date was EUR 80,000,000 and as at the Subsequent Issue Date, EUR 100,000,000. The number of the Bonds is 100,000. The minimum permissible investment in a Bonds Issue is EUR 100,000. The Issuer may on one or more occasions issue additional Bonds amounting to maximum EUR 50,000,000 in aggregate (together with the Initial Bonds and the Subsequent Bonds, in total EUR 150,000,000). The Final Maturity Date (as defined in the Terms and Conditions) is 27 June 2028. The Bonds carry a floating rate coupon based on the relevant EURIBOR rate plus 6.75 per cent. (with EURIBOR floor at 0 per cent.). The Bonds are callable at a premium of 100 per cent. + 50 per cent. / 38 per cent. / 25 per cent. / 12 per cent. of the margin after 24 / 30 / 36 months and 42 months, respectively. Prior to the First Call Date (24 months), the redemption premium will comprise of 100 per cent. + 50 per cent. of the coupon and the sum of all remaining interest payments up to the First Call Date.

The Bonds are freely transferable after having been registered into the respective book-entry account. Bondholders, however, may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense. The Bondholders of the Bonds exercise their right of decision by attending a Bondholders' meeting or participating in a written decision-making procedure.

### ***Is There a Guarantee Attached to the Securities?***

The Guarantor has with Nordic Trustee & Agency AB (publ) (the "**Agent**") entered into a guarantee and adherence agreement dated 26 June 2024 (the "**Guarantee and Adherence Agreement**") whereby the Guarantor has in accordance with the terms of the Guarantee and Adherence Agreement unconditionally and irrevocably guaranteed to the Bondholders and the Agent the punctual performance of all present and future payment obligations and liabilities of the Issuer under the Finance Documents, including for the avoidance of doubt the Terms and Conditions (the "**Guarantee**"), and undertaken to adherence to the Terms and Conditions. The Guarantee is shared among the Bondholders and the Agent.

### ***Where Will the Securities Be Traded?***

The Bonds are currently listed on the Open Market of the Frankfurt Stock Exchange. An application will be made to have the Bonds listed on Nasdaq Stockholm and the Listing is expected to take place on or about 27 December 2024, provided that Nasdaq Stockholm approves the listing application.

### ***What Are the Key Risks That Are Specific to the Securities?***

- The Issuer and the Guarantor are dependent of the other Subsidiaries to make payments under the Bonds.
- Investors assume a credit risk towards the Issuer, and the Guarantor, and their ability to service debt under the Bonds.
- Any decline in credit ratings assigned to the Issuer, the Guarantor and/or the Bonds may affect the market value of the Bonds and may not reflect all the risks associated with an investment in the Bonds.
- A Bondholder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer since the Terms and Conditions provide for the appointment of a Bondholders' representative.

## **Key Information on the Offer of Securities to the Public and Admission to Trading on a Regulated Market**

### ***Under Which Conditions and Timetable Can I Invest in This Security?***

The Initial Bonds were offered for subscription through a book-building procedure in a minimum amount of EUR 100,000. The Initial Bonds, with a principal amount of EUR 80,000,000, were issued on 27 June 2024. The Issuer subscribed the Subsequent Bonds in full in an amount of EUR 20,000,000 on 17 December 2024. The Issuer expects to sell the Subsequent Bonds to selected investors at a later stage.

The Bonds may be registered on behalf of the Bondholders on book-entry accounts and transfers of Bonds may only be effected through, and title thereto will only pass upon, registration and transfer in such book-entry accounts.

In connection with the Initial Bond Offering, the Subsequent Bond Issue and the Listing, the Issuer paid approximately a total of EUR 1.4 million in fees and expenses. No fees or other payments will be charged to the investor by the Issuer. Account operators may charge fees in accordance with their price lists for the subscription and opening and maintaining of the book-entry account or other custody system and for custody of the Bonds.

### ***Why Is This Prospectus Being Produced?***

The Company has prepared and published this Prospectus in order to apply for the trading of the Bonds to the corporate bond list of Nasdaq Stockholm.

The aggregate net proceeds to the Issuer from the Initial Bond Offering, after deduction of the fees and expenses payable by the Issuer, were approximately EUR 78.6 million. The Subsequent Bond Issue did not produce any net proceeds to the Issuer as the Issuer subscribed the Subsequent Bonds in full.

The net proceeds of the Initial Bond Issue have been used and will be used, as applicable, for (i) on 8 July 2024, the redemption of senior unsecured bonds (ISIN NO0012702549) issued by the Guarantor in the amount of EUR 50 million, (ii) finance transaction costs, and (iii) finance general corporate purposes of the Group.

The Issuer expects to sell the Subsequent Bonds to selected investors at a later stage. The net proceeds of the sales of the Subsequent Bonds will be used to, inter alia, finance transaction costs and general corporate purposes of the Group.

### ***Material Interests***

The interests of the Joint Bookrunners (Arctic Securities AS and Pareto Securities AB) are normal business interests in the financial markets.

The Joint Bookrunners and/or their Representatives may hold shares, options or other securities of the Group and may, as principal or agent, buy or sell such securities. The Joint Bookrunners may have other financial interests in transactions involving these securities or the Group.

The Issuer and any other member of the Group may, subject to applicable laws, purchase Bonds. It should be noted that the Group may have interests that conflict with other Bondholders particularly if the Group encounters difficulties or is unable to pay its debts as they fall due.

## RISK FACTORS

*Investors considering investment in the Bonds should carefully review the information contained in this Prospectus and, in particular, the risk factors described below. Factors possibly affecting an investment decision are also discussed elsewhere in this Prospectus. Each of the risk factors described herein are specific to the Group and/or the Issuer, as applicable, and should one or more of the risk factors materialise, it may have a material adverse effect on the Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Bonds, the market price and value of the Bonds as well as, as applicable, the sufficiency of the guarantee the Guarantor has granted. As a result, investors may lose part or all of their investments despite the guarantee granted by the Guarantor. This description is based on information and values known and assessed at the date of this Prospectus, and, therefore, the description of the risk factors is not necessarily exhaustive. The risks involved in an investment in the Bonds are not limited to the factors identified below and in addition, the Group faces many of the risks inherent to banking services and digital solutions industries and additional risks and uncertainty factors that are unknown or regarded as minor at the present time may have a material adverse effect on the Group's business, financial condition, results of operations and future prospects and, thereby, on the Issuer's ability to fulfil its obligations under the Bonds as well as the market price and value of the Bonds. All investors should make their own evaluations of the risks associated with an investment in the Bonds and consult their own professional advisers if they consider it necessary.*

*The risk factors are presented below in the following six (6) categories:*

- A. Risks Relating to the Group's Operating Environment;*
- B. Risks Relating to the Group's Business Operations;*
- C. Risks Relating to Legal and Regulatory Matters;*
- D. Risks Relating to the Group's Financial Situation;*
- E. Risks Relating to the Nature of The Bonds; and*
- F. Risks Relating to the Bondholders' Rights and Representation.*

*While the categories are not presented in any order of materiality, within each risk category the most material risks, in the assessment of the Group, taking into account the negative impact on the Group and the probability of their occurrence, are presented first. However, the order in which the risk factors are presented after the first risk factor in each category is not intended to reflect either the relative probability or the potential impact of their materialisation.*

*The materiality of the risk factors is disclosed by the use of a qualitative ordinal scale of low, medium or high. The assessment of the materiality of the risk factors have been based on a cumulative assessment of the probability of their occurrence and the expected magnitude of their negative impact.*

*Unless defined otherwise in these risk factors, defined terms in these risk factors shall have the same meaning as in the terms and conditions of the Bonds (the “**Terms and Conditions**”).*

### **A. Risks Relating to the Group's Operating Environment**

#### **Medium level risk**

- 1. Adverse developments in consumers spending resulting from macroeconomical factors, such economic slowdown or pandemic, could have an adverse effect on consumer spending and thereby negatively effect to the Group's results of operations.**

Macroeconomic effects, uncertain global geopolitical situation as well as economic and financial market conditions could adversely affect the Group's business, results of operations, financial condition, liquidity and capital resources.

Because the Group's business is dependent on consumer spending trends in the countries it actively operates in, Finland, Sweden, Denmark, Norway, Germany, the Netherlands, Spain, Bulgaria, Croatia, Czechia, Estonia, Latvia, Lithuania, Poland and Romania, any period of economic slowdown or recession in these countries could make it more difficult for the Group to retain or expand its customer base. For example, high levels of unemployment in the markets in which the Group operates will likely reduce the number of customers who qualify for the Group consumer loan products, which in turn may reduce its revenues. Similarly, reduced consumer confidence and spending may decrease the demand for its products. In addition, during periods of economic slowdown or recession, the Group could experience an increase in defaults, credit extension requests as well as a higher frequency and severity of credit losses even if the Group adjusts its credit scoring models to adjust to such new economic conditions. As a result, adverse changes in economic conditions in countries in which the Group's customers are located could materially adversely affect the business prospects, results of operations and financial condition of the Group.

Furthermore, the global economic and financial market conditions have repeatedly undergone significant turmoil due to, among other factors, the ongoing sovereign debt issues in certain European countries, particularly certain eurozone member states, the decision of the United Kingdom to withdraw from the European Union (commonly referred to as Brexit), the continuous tensions between the United States and China regarding, for example, geopolitics and trade and the current inflation pressure.

The heightened economic uncertainty in 2023 due to geopolitical developments stemming from military conflicts between Russia and Ukraine since February 2022, and Israel and Palestine since September 2023 increased inflationary pressures globally, leading Central Banks like the European Central Bank to implement specific monetary policy measures, notably raising interest rates, to regulate demand and mitigate inflation. According to the management of the Group, the inflationary pressure is still presiding, but seems to be globally on a decreasing trend. The Group has neither loan exposures, legal entities nor operational exposure to Russia, Ukraine, Israel or Palestine, however, the uncertainty relating to the financial markets and global economy may create economic and financial disruptions and even a financial crisis, the direct or indirect consequences of which may adversely affect the Group's financial position.

## **Medium level risk**

### ***2. There may not be sufficient demand for the Group's products or the Group may failure to develop innovative and attractive products.***

The demand for a particular product the Group offers may be reduced due to a variety of factors, such as regulatory restrictions that decrease customer access to particular products, the availability of competing products, changes in customers' preferences or financial conditions. Furthermore, any changes in economic factors that adversely affect consumer purchase behaviour and employment could reduce the demand for the volume or type of loan products the Group provides and have an adverse effect on the Group's revenues and result of operations. Should the Group fail to adapt to significant changes in consumers' demand for, or access to, the MicroLoan products, the Group's revenues could decrease significantly and operations could be harmed. Each modification, new products and alternative method of conducting business is subject to risk and uncertainty and requires significant investment in time and capital, including additional marketing expenses, legal costs and other incremental start-up costs. Even if the Group does make changes to existing products or introduce new products to meet customer demand, customers may resist or may reject such products.

A significant part of the Group's revenues stems from new customers as well as from new products introduced in recent years to complement the Group's core PlusLoans and Credit Line products, such as PrimeLoans and SME<sup>8</sup> Loans. Additionally, the Group's strategy is to continue to evolve its product offerings to other bank products and to further establish itself as a mobile bank and by further developing its mobile wallet. If the Group is not able to further diversify and expand its product portfolio or if it fails to establish itself as a mobile bank, expand its customer base or reach enough deposits volume from customers and operate its common mobile bank application, this could have a material adverse effect on the Group's business, financial condition, and results of operations.

There is a risk that the Group may not be successful in continuing to meet its customers' needs through innovation or in developing new products and/or technologies, or that, if developed, any such new products will not be

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<sup>8</sup> SME stands for small and medium-sized enterprises.

accepted by the Group's customers. The Group may not be able to recover investments that it has made in order to develop these new products or processes, and may not have sufficient resources to keep pace with technological developments. The failure of the Group to keep pace with the evolving technological innovations in its markets and adequately predict customer preferences could have a material adverse effect on the Group's business, product portfolio, financial condition, and results of operations.

#### **Medium level risk**

##### ***3. The Group faces a high-level of competition in the short-term lending industry.***

The Group faces competition in all the countries in which it operates. There is a wide range of companies targeting the market for small consumer loans, including various smaller locally operating consumer loan companies as well as larger companies operating in several markets and traditional consumer banks. The Group's key consumer loan segments relate to its Micro Loans (loans in the range of EUR 25-1,000) and Plus Loans (loans in the range of EUR 300-4,000), as well as its Prime Lending offering (loans of up to EUR 15,000 with longer tenors than Micro Loans and Plus Loans). Most of the Group's competitors do not restrict the size of loans available through their companies and thus the Group is competing with a variety of local and international companies. In addition, as part of the Group's CapitalBox offering, the Group also competes with traditional banks with small business loans providing working capital loans.

The highest risk of competition is experienced particularly in mature markets with high saturation, such as Western and Northern Europe. In the past, intensive competition has pushed prices downward in some markets, which, if competition further intensifies, could erode profit margins and the Group's net income. The Group believes that the consumer loan market may become even more competitive as the industry consolidates. Some of the Group's competitors may have larger and more established customer base and substantially greater financial, marketing and other resources than the Group has. As a result, the Group could lose market share and its revenues could decline, thereby affecting the Group's ability to generate sufficient cash flow to fund expansion of its operations and to service its indebtedness. This could have a material adverse effect on the Group's business prospects, financial condition and results of operations

#### **B. Risks Relating to the Group's Business Operations**

#### **High level risk**

##### ***1. Negative public perception and press coverage of short-term unsecured consumer loans may result in a decrease in demand for the Group's products.***

Multitude is an international provider of consumer and small business loans. Due to its engagement in the market for small consumer loans, the Group is exposed to the risk of unfavourable media coverage or measures taken by consumer protection bodies. Any negative public perception could lead to customers having a negative view of the Group's business and industry. The Group's operations and products may become subject of an advanced public scrutiny and tightening regulatory and transparency requirements. In addition, the Group may experience a decrease in demand for its products if consumers accept the characterisation of such products as unreasonably expensive or abusive toward customers, which could make it more difficult for the Group to retain or expand its customer base and therefore have an adverse effect on the Group's business operations. Any tightening regulatory requirement may increase the Group's costs relating to compliance and thereby affect the Group's financial condition and results of operations. Furthermore, media coverage and public statements that allege some form of corporate wrongdoing may make it more difficult for the Group to attract and retain qualified employees and management, as well as divert management attention and increase hiring expenses. A negative perception of the Group itself or the entire industry may severely damage the Group's reputation and thus will have a material adverse effect on the Group's business prospects, financial condition and results of operations.

#### **Medium level risk**

##### ***2. The Group may not be able to maintain sufficient risk provisions for expected credit losses and the actual credit losses could be greater than the provisions accounted for to cover such losses.***

The Group needs to maintain risk provisions for anticipated credit losses. Since the provisions necessary to cover credit losses can only be estimated, there is a risk that actual credit losses are materially greater than the provisions accounted for to cover such losses. This could have a material adverse effect on the Group's business prospects, financial condition, and results of operations. The total loss allowances as per 31 December 2023 amounted to EUR 114.7 million and as per 30 September 2024 to EUR 130 million while impaired loan coverage ratio was 16.6 per cent. and 17.2 per cent. for the outstanding total loan portfolios of the same periods. Impairment loss on loans to customers during the financial year 2023 and by the end of Q3 2024 amounted to EUR 89.3 million and EUR 73.6 million, respectively.<sup>9</sup>

Furthermore, the Group is exposed to the fraud risk associated with information provided by its (potential) customers. The most common fraud risk is identity theft. There is a risk that the Group could suffer credit losses due to the criminal behaviour of its customers. This could have a material adverse effect on the Group's business prospects, financial condition and results of operations.

#### **Medium level risk**

##### ***3. The Group is exposed to the evaluation of the creditworthiness of customers and pricing of the consumer loan products.***

The Group is exposed to the creditworthiness of its customers. The Group's customers generally have a higher frequency of delinquencies, higher risk of non-payment and, ultimately higher credit losses than consumers who are served by more traditional providers of consumer credit. The Group's customer base includes consumers who do not qualify for general purpose credit cards and consumers who are expanding their existing credits. The Group prices its consumer loan products taking into account the estimated risk level of its customers. If its estimates are incorrect, customer default rates could be higher, which would result in an increase in the Group's operating expenses relating to loan impairments, and in turn the Group could experience reduced levels of net income.

Even though the Group's credit risk management procedures, such as customer due diligence, credit policies and software-based scoring procedure to rate the creditworthiness of new and existing customers are refined on and updated on an ongoing-basis, there is a risk that the aforementioned actions may prove insufficient and that the Group will incur higher credit losses than expected. This may be caused by an internal failure of the Group's risk management procedures or an external change of conditions beyond the Group's control. The customers' creditworthiness and ultimately their obligation to repay any outstanding debt to the Group may deteriorate due to changes in his or her personal circumstances or other factors not known at the time of the application, were unemployment poses one of the most severe risks. Credit loss risks may further increase if the Group's consumer loan portfolio is not adequately diversified (country and social status diversification). In such a situation, a deterioration of economic conditions or an economic slowdown may additionally exacerbate the credit risk associated with insufficient diversification. An increase in the ratio of impairments on loans to revenues could significantly adversely affect the Group's financial, economic and liquidity condition. As per 31 December 2023, the Group's gross loan portfolio amounted to EUR 690.6 million (EUR 619.8 million in 2022) and as per 30 September 2024, to EUR 754.8 million.<sup>10</sup>

#### **Medium level risk**

##### ***4. The Group may be unsuccessful in establishing its new business unit or otherwise implement its strategy or carrying out the strategy could prove to be costlier than expected.***

In November 2023, Multitude announced the plan to optimise the structure of its reportable segments and create a new business unit by rebranding a part of the SweepBank business and in 2024, the new business unit of Wholesale banking (under the brand of Multitude Bank) that provides fast and digital access to scalable credit facilities through a dual offering: Secured Debt and Payment Solution, was launched. With this change, SweepBank has become an underlying enabler of a broadened offering at Ferratum (from consumer lending to consumer banking) and CapitalBox (from SME lending to SME banking) and, while the Group has already and is further making significant investments into its internal operational structure and product offerings, including a mobile banking platform, its deposit taking operations, as well as investments, enhancements and modifications

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<sup>9</sup> The full-year figures are audited and figures per 30 September 2024 are unaudited.

<sup>10</sup> The full-year figures are audited and figures per 30 September 2024 are unaudited.

to its anti-money laundering risk, foreign exchange risk, liquidity risk, operational risk and fraud risk systems and processes, the implementation may be more costly than expected. Should the Group be unsuccessful to establish its new business unit and the updated role of SweepBank, or if the strategy is delayed or more costly than expected, it could jeopardise return on investments, reduce profitability, lead to lost investments and thus could have a material adverse effect on the Group's business, financial condition, and future prospects.

#### **Medium level risk**

##### ***5. The Group is dependent of the current CEO and key management.***

The Group is especially dependent on the expert knowledge of its CEO and the Guarantor's majority shareholder Jorma Jokela as well as key management members in IT, legal, operational, financial as well as risk and analysis positions for the implementation of its strategy and the operation of its activities. The future success of the Group therefore, amongst other things, depends on the Group's ability to retain and motivate its key personnel. The Group also depends on the ability to recruit, retain and develop other qualified senior executives and key employees with the necessary skills and extensive industry experience to the Group. If any of the key managers or other critical employees were to leave the Group or join a competitor, the Group may be unable to attract and retain suitable replacements. As a result, the Group may be unable to pursue its business operations as planned and this will have a material adverse effect on the Group's business and future prospects which could further have a material effect on the financial condition and result of operations of the Group.

#### **Medium level risk**

##### ***6. The Group may be exposed to disruptions in information systems or external telecommunication infrastructure worldwide which could result in fraudulent transactions and impair the Group's ability to supply its products to its customers.***

IT systems are an essential component of the Group's business due to the diverse use of automated processes and controls and the Group's operations rely heavily on the secure processing, storage and transmission of customer information and other confidential information in its IT systems and networks. The Group utilises a proprietary in-house loan handling system, which provides control and automation of day-to-day business. However, due to the open nature of the internet and the increasing sophistication of online criminality, all webbased services are inherently subject to risks such as online theft through fraudulent transactions and inappropriate use of access codes, user IDs, usernames, PINs, and passwords.

In addition, the Group's IT systems, software and networks could be vulnerable to breaches, unauthorised access, misuse, computer viruses or other malicious code that could result in disruption to its business or the loss or theft of confidential information. There is a risk that any failure, interruption or breach in the Group's IT security, IT systems and software, including any failure of its back-up systems or failure to maintain adequate security surrounding customer information, results in reputational harm, disruption in the management of the Group's customer relationships, the inability to originate loans, process and service loans or customers not being able to access relevant online services provided to them. If any IT security or IT operational risks would materialise, it could result in a loss of customer business, loss of income and damaged reputation.

The Group could further be subject to additional regulatory scrutiny or be exposed to lawsuits by customers for identity theft or other losses. Damage to the Group's IT systems and software or failure to protect its data against a cyber-attack or other similar breaches as described above will have a material adverse effect on the Group's business, financial condition, and reputation. The Group relies on telecommunications, the internet, as well as mobile and online banking services worldwide in order to conduct its operations and offer its services to customers. To access the Group's online consumer loan portals, the Group's customers need to have an internet access or a mobile data connection. Disruption of such or similar telecommunications and internet services in the respective countries of operation due to equipment or infrastructure failures, strikes, piracy, terrorism, weather-related problems, or other events, could temporarily impair the Group's ability to supply its product portfolio to its customers, which in turn could have a material adverse effect on the Group's business, financial condition, and results of operations.

## Low level risk

### ***7. The Group may not be able to effectively manage the Group's growth in accordance with its set strategic priorities.***

The Group's expansion strategy contemplates the fast growth in mobile consumer loan volumes in current markets and the establishment of operations in new markets such as Norway in which the Group entered in 2015 or Germany and Romania which the Group entered in 2014. In 2021, the Group also entered the Slovenian market and, in March 2024, the Group acquired Omniveta's (a Copenhagen-based specialist in invoice purchasing) business through CapitalBox and in October 2024, the Group acquired a strategic 9.9 per cent. stake in Lea Bank ASA (a Norwegian-based digital bank) through Multitude Bank p.l.c., with an agreement to buy additional 8.7 per cent., subject to approval by the Norwegian Financial Authority and possibly Swedish Financial Authority. As at the date of this Prospectus, the integration of Omniveta's operations into the CapitalBox framework is processing according to plan.

The Group's continued growth in this manner is dependent upon a number of factors, including the ability to develop efficient internal monitoring and control systems, the ability to implement highquality business and management processes and standards, the ability to develop and implement "best practices" in response to day-to-day business challenges, the ability to secure adequate financing to successfully establish operations in new markets, the ability to turn new operations profitable within the expected time after the market entry, the ability to correctly assess legal requirements in targeted markets and monitor on-going changes in existing markets, the ability to obtain any government permits and licences that may be required, the ability to develop adequate and secured IT-platforms, the ability to successfully integrate any operations such as Omniveta's, or any other operations which may be acquired in the future, the ability to identify and overcome cultural and linguistic differences which may impact market practices within a given geographic region, and other factors, some of which are beyond the Group's control. Therefore, there is a risk that the Group will not be able to effectively manage the expansion of its operations or that the Group's current personnel, systems, procedures, and controls will not be adequate to support the Group's operations. Any failure of management to effectively manage the Group's growth and development could have a material adverse effect on the Group's business, financial condition, and results of operations.

## Low level risk

### ***8. The Group may not be able to successfully complete the relocation to Switzerland (after the the initial relocation to Malta which was completed on 30 June 2024) as contemplated, or at all, or the Group may have failed to accurately assess the adverse effects of the relocation to its operations.***

On 17 January 2024, the Board of Directors of the Guarantor (at the time Multitude SE) approved the transfer of its registered office from Finland to Malta. This proposal, compliant with the Council Regulation (EC) No 2157/2001 on the Statute for a European Company (SE), was aimed at optimizing the Guarantor's legal and economic framework and included adopting new Maltese governance documents and changing the issuer Central Securities Depository (CSD) to the Malta Stock Exchange (MSE) CSD. At the Extraordinary General Meeting (EGM) on 21 March 2024, shareholders of the Guarantor approved the transfer, including appointing a new Maltese company secretary and auditor, introducing a nominal value for shares, and increasing share capital to comply with Maltese regulations. The transfer of the Guarantor's registered office from Finland to Malta was completed on 30 June 2024. Following the completed relocation to Malta, Multitude P.L.C. plans to further transfer its registered office to Switzerland. Specific details and resolutions regarding the relocation from Malta to Switzerland will be handled in subsequent meetings and regulatory filings, ensuring compliance with Swiss laws and regulations (the "**Relocation**"). As the process is still pending, there can be no assurance that the Relocation is completed as contemplated, or at all.

According to the assessment of the Group, neither the Group's operations nor profitability will be negatively affected by the Relocation and, going forward, the Group expects the Relocation to have a positive effect on the profitability of the Group. The operational staff will remain domiciled in their current countries. Multitude P.L.C.



is in constant contact with the relevant authorities, in order to make sure that there is minimal to no impact on the Group's business, however, there is a risk that the Group will not be able to successfully complete the Relocation as contemplated or the Group has failed to assess the adverse effects of the Relocation accurately. Should the relocation to Switzerland not occur as currently scheduled, the immediate effect would be a delay of approximately six months. However, the Relocation remains an essential component of Multitude's strategic plans and, as at the date of this Prospectus, according to Multitude's assessment there are no foreseen factors that could prevent or cancel the Relocation as all necessary consents and approvals that are required as at the date of this Prospectus and in the foreseeable future within the scope of the Relocation have been obtained, and preparations relating to the Relocation are progressing as planned.

### C. Risks Relating to Legal and Regulatory Matters

#### Medium level risk

*1. The Group is obligated to comply with consumer protection laws, other local legal and regulatory requirements and European law, which may be subject to change and result in unexpected costs.*

The Group's operations are subject to legislation, extensive regulations, codes of conduct and general recommendation in the jurisdictions in which it operates and in relation to the services and products it markets and sells. Present and potential future applicable laws and regulations may restrict the way the Group may conduct its business and may reduce its profitability. Legal requirements in respect of, for instance, interest rate caps may limit the Group's pricing of its products which would have a negative impact on the Group's earnings and result of operations. EU regulations in respect of e.g. capital requirements may also restrict the Group's possibility to conduct its business should the Group not have sufficient access to equity capital in order to fulfill applicable laws. This will have a negative impact on the Group's business, financial condition and result of operations.

The liquidity and capital metrics, in respect of which the Group is required to maintain certain levels, are the Liquidity Coverage Ratio metric, the ratio of total regulatory capital to risk-weighted assets and the CET 1 (Common Equity Tier 1). The Liquidity Coverage Ratio metric, designed to ensure that a bank has sufficient unencumbered high-quality liquid assets (HQLA, consisting of cash or assets that can be converted into cash at little or no loss of value in markets) to meet its liquidity needs in a 30-calendar-day liquidity stress scenario was 1,034.10 per cent. as at 30 September 2024. The bank is required to maintain the Liquidity Coverage Ratio above a minimum level of 230 per cent. The bank is required to maintain a ratio of total regulatory capital to risk-weighted assets (Capital requirements ratio) above a minimum level of 16.20 per cent. The bank's total capital ratio as at 30 September 2024 was 17.22 per cent. The bank is also required to maintain a CET 1 above a minimum level of 13.08 per cent. The bank's total CET 1 capital ratio as at 30 September 2024 was 16.16 per cent.

The above mentioned minimum levels apply only to Multitude Bank p.l.c (the "**Bank**"). Non-compliance with applicable capital requirements may have a significant impact on the Bank's operations and future sustainability. In particular, should certain indicators breach the red Risk Appetite Framework limit, the CEO shall immediately convene the Executive Committee to devise the most efficient and effective recovery option(s) to bring the level of risk exposure back within acceptable limits through a remediation plan. A board meeting shall also be held as soon as reasonably practicable, where the CEO presents the board with the proposed remediation plan to restore the indicators at green thresholds. Ultimately, it is the board's responsibility to assess the recovery option(s) and determine whether to activate the recovery plan or not.

Should the situation continue to deteriorate, this could result in actions undertaken by regulatory authorities, including early intervention measures as stipulated in the EU Bank Recovery and Resolution Directive (the "**BRRD**" or the "**Directive**"). This may affect the Bank's capacity to continue or grow its business operations, generate a sufficient return on capital or pursue acquisitions or other strategic opportunities, affecting future growth potential. If, through the application of early intervention measures, the Bank is not restored to viability, it may be declared as 'failing or likely to fail' by the regulatory authority. Upon such declaration, the regulatory authority assesses whether there is public interest to resolve the Bank and apply resolution powers under the BRRD thus resulting in the Bank undergoing resolution. In the absence of public interest, the Bank will undergo liquidation (normal insolvency proceedings). Should the Bank undergo liquidation, become subject to a write-down, conversion or resolution powers under the BRRD, this may adversely affect the Bank's business, financial condition, ability to pay dividends, results of operations and/or prospects.

Changes to local legislation require the Group's respective subsidiaries to adapt operations to ensure compliance with such changes. Failure to timely implement procedures that comply with new rules will have a material adverse effect on the Group's business, financial condition, and results of operations. There is a risk that local courts, regulatory agencies and financial supervisory authorities, issue new regulations or interpretations or find the Group's services to be in violation of local or EU-wide legal requirements such as licence requirements, maximum interest rate provisions, transparency requirements or other regulatory requirements. Adverse judgments based on such findings or new regulations or interpretations could result in legal claims, administrative sanctions and reputational damage against the Group, need for restructuring or new licensing of the Group or alterations to the business carried out by the Group. Further, existing loan agreements might be held null and void by local courts. As a consequence, the Group may be restricted in successfully offering its services in certain jurisdictions or may be forced to terminate its business in certain jurisdictions. This could have material adverse impacts on the financial and market position of the Group.

In the past, the Group has had to allocate resources in order to adapt its business model and product offerings in several countries as a result of regulatory changes. As at the date of this Prospectus, the Group is monitoring several legislative initiatives that may affect the Group's operations. Such legislative changes include, inter alia, the so-called AI Act, Digital Operations Resilience Act, the so-called Banking Package 2021, legislative acts to amend the Capital Requirements Directive and the Capital Requirements Regulation as well as the 6th anti-money laundering package. At the date of this Prospectus, the exact effect of the changes or the implementation of the same to the Group's operations cannot be estimated, however, there is a risk that future regulatory changes may be too burdensome to comply with or that the measures that the Group takes to ensure compliance with new laws and regulations are not adequate. In addition, the Group could misunderstand or misapply new or amended laws, especially due to the increasing quantity and complexity of the legislation, which could lead to adverse consequences for the Group and that the Group may be subject to monetary fines and other penalties or that its business model in a particular jurisdiction becoming unprofitable. Such developments could have a material adverse impact on the reputation and the financial and market position of the Group.

Even though the Group is in contact with the relevant authorities regarding the Relocation and based on the current assessment of the management, the Relocation is not expected to have material regulatory or tax implications to the Group, there may be unforeseen adverse implications relating to the initial and completed relocation to Malta or the subsequent relocation to Switzerland, resulting in increased costs for the Group. Furthermore, the Relocation is contemplated on the regulation and rules force on the date hereof, and there can be no assurance that there will be no adverse amendments to the current regulatory environment.

## **Medium level risk**

- 2. The EU Consumer Credit Directive 2 replacing the original Consumer Credit Directive and national laws implementing the Directive as well as other mandatory consumer protection legislation are, and may become, subject to change and require the Group to further adapt its practices which may result in unexpected costs.***

The EU Consumer Credit Directive (2008/48/EC) was adopted in April 2008 and entered into force in May 2008. The Member States were obliged to harmonise their legislation by 12 May, 2010. Most EU Member States have implemented the directive. To serve the purposes of consumer protection and credit transparency, the EU Consumer Credit Directive mandates disclosure of a standardised annual percentage rate ("APR") figure for all consumer credit products. Due to the nature of the Group's business model, whereby in most countries where the Group operates, small loan amounts are offered for very short periods of time, the extrapolated APRs may appear to be far higher than standard market APRs offered by other consumer credit companies and may therefore create an incorrect impression of the actual business relationship between the Group and its customers. The disclosure of high APRs may thus mislead consumers, consumer protection organisations, courts, or regulatory agencies in the belief that the Group is in violation of EU or local consumer protection and consumer credit regulations, specifically regarding interest rate caps. It is thus possible that legal or regulatory challenges may be brought against the Group regarding noncompliance with existing, amended, or new consumer protection or consumer credit laws. Adverse judgments based on such findings could result in legal claims and reputational damage against the Group. In addition, regulatory authorities have in recent times increased their inquiries as to compliance with European and local consumer protection laws, which, if this intensifies, could further increase the burden on the Group's compliance, legal and business departments managing communication with authorities.

The European Parliament approved the Consumer Credit Directive 2 (“**CCD2**”) on 12 September 2023 and published it in the EU’s Official Journal on 18 October 2023. EU Member States are, therefore, obliged to implement the CCD2 provisions into their national legal systems by November 2025. In addition, the new regulations transposing the CCD2 provisions must enter into force and be applied by November 2026 at the latest. Among other matters, this Directive imposes an obligation on Member States to cap APRs, interest rates or total costs, prohibits marketing from creating false expectations, regulates certain information requirements, including changes to the pre-contractual information, and imposes several obligations in relation to creditworthiness assessments. As at the date of this Prospectus, based on the Group’s assessment, most of the amendments are already applied by the Group on the basis of either national legislation or ECJ judgments and as such the impact of the CCD2 is not considered to be material.

There is a risk that new or amended statutory requirements, such as the CCD2 and the national laws implementing CCD2 as well as other mandatory consumer protection laws and regulations, would require the Group to further adapt its practices and procedures. Such statutory changes and/or additions may negatively impact the Group’s financial position and may require changes to the Group’s business model. It is additionally possible that consumers, consumer protection organisations, courts, regulatory agencies, financial or consumer ombudsman, challenge the Group’s compliance with existing, amended, or new consumer protection laws or initiate related investigative or judicial proceedings. Adverse judgments based on such findings could result in legal claims and reputational damage against the Group.

#### **Medium level risk**

##### **3. *Violations of laws, regulations and standards may lead to sanctions and other penalties from local authorities.***

The Group operates in a business that is heavily regulated. Given the extensive regulatory requirements in respect of the Group, there is a risk that the Group will be in breach of such regulatory requirements which may lead to various sanctions and other penalties being imposed. The Group has previously been subject to audits where the authorities have found the business not to be compliant with applicable laws, which resulted in sanctions being imposed, for instance, Maltese Financial Intelligence Analysis Unit (the “**FIAU**”) imposed an administrative penalty amounting to EUR 653,637 in 2022, which was disputed by Multitude Bank p.l.c. (formerly *Ferratum Bank p.l.c.*) and, in February 2024, the Group submitted a constitutional application in which it requests the court to consider the FIAU’s decision as unconstitutional.

Furthermore, in January 2024, the Information Society Inspectorate of Slovenia requested the Group to, inter alia, take certain actions relating to the identification of customers via electronic signature. The Group adhered with the request, however, proceeded to file an appeal in which it argued that the decision should be annulled on the grounds that it was procedurally irregular and was based on incorrect facts. Even though the request by the Slovenian Inspectorate is not material to the operations of the Group, there is a risk that the Group may be in breach of applicable laws and other rules in the future and, should such risks materialise, it may have a material adverse effect on the Group’s business, financial conditions and results of operations.

Various jurisdictions, in which the Group operates have introduced caps on APRs, or have reviewed creditworthiness and affordability rules, which have, in a number of cases, impacted the services and products that the Group offers. The Group continues to strive to remain fully compliant with all applicable requirements in the jurisdictions in which it operates, though it also notes that in some cases there may be different interpretations on a number of legal provisions pertaining to the method of calculation of APRs or other interest rate caps, or with regard to creditworthiness and affordability rules, as well as lack of clear guidance by the relevant authorities on the manner how such requirements are to be applied. There is therefore a material risk that in some instances authorities or other entities responsible for supervision or enforcement may arrive to a different interpretation on such provisions, leading to the issuance of penalties or sanctions on Subsidiaries forming part of the Group. The legislation in some countries contemplates that such penalties are not only imposed on the legal entity concerned but also on the management of that entity. The imposition of penalties or sanctions on the Group would have an adverse effect on the Group’s reputation, which could in some instances be material in its impact.

#### **Medium level risk**

##### **4. *The Group may not be able to maintain the required licences to operate in the consumer loan business.***

The local financial authorities of some jurisdictions, such as Finland, Sweden, Bulgaria, Malta, Germany and India, additionally require licences to operate a consumer loan business. There is a risk that, where a licence is required, the Group will not be able to maintain its licences on commercially favourable terms or at all. Accordingly, there is a risk of delay in obtaining the required licences, which may lead to operational delays. The loss of a licence or such operational delays may in turn have a material adverse effect on the Group's business, financial condition, and results of operation.

#### **Medium level risk**

##### ***5. The Group is dependent of the Group's Maltese banking Subsidiary.***

The Group operates in several markets making use of Multitude Bank p.l.c.'s EU credit institution licence issued in September 2012 by the Malta Financial Services Authority (the "MFSA"), namely Estonia, Latvia, Germany, Bulgaria, the Czech Republic, Norway, Romania, Sweden, Finland, Denmark and Croatia. This EU banking licence is required or may be required to conduct business in a number of existing and potential future markets. Multitude Bank p.l.c.'s banking licence also provides the Group with the benefits of increased levels of trustworthiness vis-à-vis its customers, access to pertinent databases to further enhance scoring models, and funding options linked to accepting deposits to support profit growth. However, under Maltese law, the credit institution licence may be revoked or restricted by the MFSA for a variety of reasons including, but not limited to, the Group's non-compliance with existing or new regulatory requirements. Such a restriction or revocation of the credit institution licence would require the Group to comply with the existing or new regulatory requirements of the MFSA and FIAU (Financial Intelligence and Analysis Unit) or obtain a banking licence from the relevant regulatory authority of another EU Member State.

The MFSA will have to be informed in case a new shareholder accumulates a shareholding of 5 per cent. or more; whilst a new shareholder attaining a shareholding level of 10 per cent. or more will have to be approved by the MFSA so that the Group's Maltese banking Subsidiary remains in compliance with Maltese laws and regulations.

These factors could impair the Group's swift entry into new European markets and/or result in operational delays that could have a material adverse effect on the Group's business, financial condition, and results of operations.

#### **Low level risk**

##### ***6. The Group could be exposed to a higher level of oversight which could result in additional costs for the Group.***

The European Central Bank has implemented the Single Supervisory Mechanism. Multitude Bank p.l.c., the entity holding the banking licence under which the Group operates, is currently categorised as a less significant institution. However, Multitude Bank p.l.c. may in the future be deemed to be a significant institution and, hence, being subject to a higher degree of regulatory requirements. Furthermore, there is a risk that institutions categorised as less significant institutions in the future will be subject to a higher degree of oversight and compliance related provisions. If any of these risks materialise, it will have a material adverse effect on the Group's business, financial standing and results of operations.

#### **D. Risks Relating to the Group's Financial Situation**

#### **Medium level risk**

##### ***1. The Group is exposed to exchange rate risk.***

The Group operates internationally and is therefore subject to unexpected changes in foreign currency exchange rates among various currencies. Foreign exchange risk arises in connection with current and future commercial transactions, recognised assets and liabilities, and net investments in foreign operations. The Group's accounts are consolidated in EUR, the Group is exposed to currency risk with respect to adverse fluctuations in the exchange rates between EUR and relevant foreign currencies, especially the Swedish, Polish, Norwegian and Czech currencies. Therefore, the Group, having a multinational business model, is exposed to currency risk, i.e. there is a risk that exchange rate fluctuations will have a highly significant negative effect on the Group's earnings or financial position.

## Medium level risk

### *2. The Group may not be able to maintain sufficient liquidity needs in future.*

The Group's growth depends on cash flow efficiency and cash collection. Considering the Group's business model, the Group is exposed to liquidity risk. There is a risk that the Group will not be able to satisfy its liquidity needs in the future or will need to satisfy its liquidity needs with a significant cost increase. Lack of liquidity may occur in numerous scenarios. The Group, for instance, may experience a lack of liquidity due to an unexpected increase in rates of delinquencies or defaults on provided consumer loans or if the cost of accessing capital in the capital markets increase. If the Group is unable to meet such cash requirements, its growth in new markets may be adversely affected. As a result, decreasing cash inflows from existing operations and/or increasing cash outflows associated with new operations may result in a material adverse effect on the Group's business prospects, financial condition and results of operations. The deposits from customers amounted to EUR 732.4 million as per 31 December 2023 and to EUR 773.4 million as per 30 September 2024 with the total amount of equity and liabilities being EUR 990.9 million and 1,067.8 million, respectively. More than 99 per cent. of the deposits are secured within the deposit compensation scheme.<sup>11</sup>

During 2023, the rising inflation and increased interest rates and the economic turmoil have increased the risk and uncertainty even further in the whole business sector. By the end of Q3/2024, Multitude's cash position stood at EUR 267.1 million<sup>12</sup> with a significant portion invested in short-term deposits with reputable banks, thereby generating additional interest income.

## Medium level risk

### *3. The Group may not have adequate access to future financing.*

The Group is, among other things, financed with external debt including debt incurred through bond issues. As per 30 September 2024, the Group's interest-bearing debt, excluding customer deposits, amounted to approximately EUR 76.1 million<sup>13</sup>. There is a risk that the Group will be required to refinance some or all its outstanding debt, including the Bonds, or seek additional financing in order to be able to continue the operations of the Group. The Group's ability to successfully refinance the Bonds and any other external financing arrangement of the Group depends on a variety of factors, among other things, market conditions, the general availability of credit to the financial services industry as well as the Group's credit capacity at such time. Should the Group be unable to refinance its debt obligations on favourable terms, or at all, or obtain additional capital when needed, the Group may be required to take measures to conserve cash until the markets stabilise or until alternative credit arrangements or other funding necessary to cover the Group's business needs becomes available under affordable terms. Such measures could include deferring capital expenditures, including acquisitions, and reducing or eliminating use of cash for financing of further growth of the Group's business. Therefore, a limited availability of funds on the market combined with rising lending costs, especially when larger refinancing is required, may adversely affect the Group's growth in existing and new markets. If the Group could not refinance itself for a prolonged period of time or if the Group, due to adverse business developments, were to breach financial covenants in its financing instruments, the Group may be unable to service its debt with the liquidity provided from operating cash flows. This could have a material adverse effect on the Group's business, financial condition, and results of operations and on the Bondholders' recovery under the Bonds.

As at the date of this Prospectus, the Group is, and may in the future, through its future financing arrangements, including the Bonds, be required to fulfil certain financial covenants such as the Net Equity Ratio maintenance covenant and other customary financial covenants. There is a risk that the Group in the future could breach such covenants and that the Group lacks access to financing sources on acceptable terms, or at all, at the time of such breach. This could in turn cause lack of liquidity where needed in the Group's operations, as well as impair the Group's growth agenda. Further, certain existing financial arrangements of the Group, such as the Bonds, contain certain undertakings which, if breached and not waived, could result in such existing financing being accelerated and becoming due and payable. As at 30 September 2024, the Group's long-term borrowings (excluding customer

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<sup>11</sup> Save for the unaudited figures as per 30 September 2024, the figures are audited.

<sup>12</sup> The figure is unaudited.

<sup>13</sup> The figure does not include lease liabilities. Unaudited.

deposits and lease liability) amounted to approximately EUR 75.8 million<sup>14</sup>. In particular, there are cross default clauses in existing financing of the Group stating, *inter alia*, that if any financial indebtedness of the Group (including the Bonds) is declared to be or otherwise becomes due and payable prior to its specified maturity it constitutes an event of default under the existing financing. An obligation to prepay any existing financing could have an adverse effect on the Group's business, financial position and results.

Furthermore, disruptions, uncertainty or volatility in the capital and credit markets may also limit the Group's access to capital required to operate its business. Such market conditions may limit the Group's ability to repay, in a timely manner, maturing liabilities, to generate fee income and market-related revenue to meet liquidity needs and to access the capital necessary to grow its business. As such, the Group may be forced to postpone planned expansions, investments or bear an unattractive cost of capital, which could decrease the Group's profitability and significantly reduce its financial flexibility. If any of the above described risks were to materialise it could have a material adverse effect on the Group's operations and financial position, which could subsequently affect the Group's ability to meet its obligations under the Bonds.

#### **Medium level risk**

##### ***4. The Group is subject to floating rate interest rate risks.***

The Group is subject to cash flow interest rate risk which is the risk that the future cash flows of a financial instrument will fluctuate due to changes in market interest rates. Fair value interest rate risk entails the risk that the value of a financial instrument will fluctuate because of changes in market interest rates. For instance, the Group's main interest rate risk arises from long-term borrowings that are issued with floating rate interest, such as the Bonds, and perpetual capital notes issued by the Guarantor in 2021 at 3-month EURIBOR and the applicable margin. These borrowings expose the Group to a cash flow interest rate risk. The interest rates are affected by a number of factors that are beyond the control of the Group, including but not limited to the interest rate policies of governments and central banks. An increase in interest rates would entail an increase in the Group's interest obligations, which could have a negative effect on the Group's operations and results. It is possible that any hedging arrangement, if used, will not afford the Group sufficient protection against adverse effects of interest rate movements. Moreover, the success of any hedging activities is highly dependent on the accuracy of the Group's assumptions and forecasts. Any erroneous estimations that affect such assumptions and forecasts could have a negative effect on the Group's operations and financial position. As per 30 September 2024, the Group's gross debt with floating rate interest rate (excluding customer deposits) amounted to approximately EUR 76.1 million<sup>15</sup>. Outstanding amount of perpetual notes stood at EUR 45.0 million as at end of Q3 2024.

#### **E. Risks Relating to the Nature of the Bonds**

#### **Medium level risk**

##### ***1. The Issuer and the Guarantor are dependent of the other Subsidiaries to make payments under the Bonds.***

A significant part of the Group's assets and revenues relate to the Subsidiaries. Accordingly, the Issuer as well as the Guarantor are dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to enable the Issuer to make payments under the Bonds. The Subsidiaries are legally separate and distinct from the Guarantor, as well as the Issuer, and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Bonds, or to make funds available for such payments. The ability of the Subsidiaries to make such payments to the Guarantor, as well as the Issuer, is subject to, among other things, the availability of funds. In case of a bankruptcy or other insolvency proceeding relating to such Subsidiary of the Guarantor, the creditors of that Subsidiary would be entitled to payment deriving from the assets of such Subsidiary.

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<sup>14</sup> Unaudited.

<sup>15</sup> The figure is unaudited.

Should the value of the business conducted in the Subsidiaries, or the associated companies decrease, and/or should the Issuer, or the Guarantor, not receive sufficient income from its Subsidiaries and associated companies, an investor's ability to receive payment under the Bonds may be adversely affected.

#### **Medium level risk**

##### ***2. Investors assume a credit risk towards the Issuer, and the Guarantor, and their ability to service debt under the Bonds.***

Investors in the Bonds assume a credit risk towards the Issuer, the Guarantor and indirectly the Group. An investor's prospects of receiving payment under the Bonds is therefore dependent upon the Issuer's and the Guarantor's ability to meet its payment obligations, which in turn is largely dependent upon the performance of the Group's operations and its financial position. The credit risk and the Group's financial position is affected by several factors of which some have been mentioned above. One such aspect of credit risk is that there is a risk that a deteriorating financial position of the Group will force the Group to refinance the Bonds instead of redeeming them with cash generated by the Group, as described under Section "Group may not have adequate access to future financing" above. The Issuer's ability to service its debt under the Bonds will depend upon, among other things, the Group's future financial and operating performance, which will be affected by prevailing economic conditions and financial, business, regulatory and other factors. If the Group's operating income or exit proceeds are not sufficient to service its current or future indebtedness, the Group will be forced to take actions such as reducing or delaying its business activities, acquisitions, investments or capital expenditures, selling assets, restructuring or refinancing its debt or seeking additional equity capital. There is a risk that the Group will not be able to affect any of these remedies on satisfactory terms, or at all. In case of a deteriorating financial position of the Group, this will reduce the Group's possibility to receive debt financing at the time of the maturity of the Bonds. Should any of the above risks materialise, this would have a significant negative effect on the Group's operations, earnings, results and financial position.

Furthermore, there is a risk that an increased credit risk will cause the market to charge the Bonds a higher risk premium, which will affect the Bonds' market value negatively. If the Issuer, or alternatively, the Guarantor, is unable to make repayment under the Bonds, there is a risk that the Bondholders would find it difficult or impossible to recover the amounts owed to them under the Bonds.

#### **Medium level risk**

##### ***3. The Group Companies, including the Issuer and the Guarantor, may provide security to third parties.***

The Bonds represents an unsecured obligation of the Issuer. If the Issuer is subject to any foreclosure, dissolution, winding-up, liquidation, recapitalisation, administrative or other bankruptcy or insolvency proceedings, all of the Issuer's secured obligations must first be satisfied, potentially leaving little or no remaining assets in the Issuer for the Bondholders. As a result, the Bondholders may not recover any or full value of its investment from the Issuer's or the Guarantor's assets.

Subject to certain limitations, from time to time, the Issuer, the Guarantor, and the other Group Companies may incur additional financial indebtedness and provide additional security and guarantees for such indebtedness. Group Companies have furthermore incurred indebtedness under senior secured bond issues and/or other debt facilities and in connection therewith the Issuer has provided guarantees to the creditors of such financial indebtedness. There are also no restrictions for the Issuer, the Guarantor, and the other Group Companies to incur further debt from time to time under the Terms and Conditions. As guarantees have been granted in favour of third-party debt providers and may be provided to additional debt providers (including security), the Issuer and the Guarantor will, in the event of bankruptcy, reorganisation or winding-up of any other Group Company, be subordinated in right of payment out of the assets being subject to security provided to such third-party debt providers. In addition, if any such third-party debt provider holding security provided by the Group Company were to enforce such security, such enforcement could have a material adverse effect on the Group's assets, operations and financial position, and the rights of the Bondholders to receive payments under the Bonds.

#### **Medium level risk**

**4. *The Bonds are unsecured debt instruments in the event of the Issuer's bankruptcy or other insolvency proceedings.***

The Bonds are unsecured debt instruments, and the Bondholders would be unsecured creditors in the event of the Issuer's bankruptcy or reorganisation proceedings. Accordingly, in addition to that any adverse change in the financial condition or prospects of the Issuer, or the Guarantor, may have a material adverse effect on the liquidity of the Bonds, and may result in a material decline in their market price, such adverse change may endanger the probability that the Bondholders will receive the prompt and full payment, when due, for principal, interest and/or any other amounts and items payable to the Bondholders pursuant to the Bonds from time to time.

**Medium level risk**

**5. *There may not be sufficient liquidity in the secondary market.***

The Issuer intends to list the Bonds on the corporate bond list of Nasdaq Stockholm. Even if the Bonds are admitted to trading on the aforementioned market, active trading in the Bonds does not always occur and a liquid market for trading in the Bonds might not occur even if the Bonds are listed. This may result in the Bondholders not being able to sell their Bonds when desired or at a price level which allows for a profit comparable to similar investments with an active and functioning secondary market. Lack of liquidity in the market will have a negative impact on the market value of the Bonds. Furthermore, the nominal value of the Bonds may not be indicative compared to the market price of the Bonds if the Bonds are admitted to trading. It should also be noted that during a given time period it may be difficult or impossible to sell the Bonds (at all or at reasonable terms) due to, for example, severe price fluctuations, close down of the relevant market or trade restrictions imposed on the market.

**Medium level risk**

**6. *Any decline in credit ratings assigned to the Issuer, the Guarantor and/or the Bonds may affect the market value of the Bonds and may not reflect all the risks associated with an investment in the Bonds.***

As at the date of this Prospectus, the Issuer has not been granted any credit ratings. The Guarantor is assigned with a rating of B+ (positive) and the Bonds are assigned with a credit rating of B+/RR4 by the international credit rating agency Fitch Ratings Inc. The ratings granted by Fitch Ratings Inc or any other rating assigned to the Issuer, the Guarantor or the Bonds may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Bonds. A credit rating is not a recommendation to buy, sell or hold securities and may be revised, suspended or withdrawn by the rating agency at any time. In addition, Fitch Ratings Inc may change their methodologies or their application for rating securities with features similar to Bonds in the future. If Fitch Ratings Inc or other relevant rating agencies were to change their practices or their application for rating such securities in the future and the ratings of the Bonds were to be subsequently lowered, this may have a negative impact on the trading price of the Bonds.

**Low level risk**

**7. *The Bondholders may lose all or part of their investment due to an application of the bail-in system.***

The BRRD, which sets common rules across the EU for dealing with failing banks and large investment firms, came into force on 1 January 2015. The BRRD lays out a comprehensive set of measures that ensure that both banks and authorities make adequate preparation for crises, by empowering national authorities to intervene in troubled institutions at a sufficiently early stage to address developing problems, and to take rapid and effective action when bank failure cannot be avoided.

The Directive has also established a bail-in system. In Malta, bail-in was immediately applicable to junior debt holders as from 1 January 2015 and applicable to senior debt holders from 1 January 2016. The purpose of the bail-in system is to stabilise a failing bank so that its essential services can continue, without the need for bail-out by public funds. The tool enables authorities to recapitalise a failing bank through the write-down of liabilities



and/or their conversion to equity so that the bank can continue as a going concern, giving authorities time to reorganise the bank or wind down parts of its business in an orderly manner. In the process, directors and senior management may be removed or replaced if those persons are found unfit to perform their duties.

The application of the bail-in system requires the prior evaluation as to whether certain conditions are met. In particular, the following pre-requisites would need to be satisfied: a) determination by the competent authority or Resolution Authority that a bank is failing or is likely to fail; b) no reasonable prospect that any alternative private sector measures or supervisory action would prevent the failure of the bank within a reasonable timeframe; and c) a bail-in is necessary in the public interest.

Bail-in would apply to any liabilities of the Group not backed by assets or collateral. It would not apply to deposits protected by a deposit guarantee scheme, short-term inter-bank lending or claims of clearing houses and payment and settlement systems with a remaining maturity of seven days, client assets, or liabilities such as salaries, pensions, or taxes.

After shares and other similar instruments, bail-in will first, if necessary, impose losses evenly on holders of subordinated debt and then evenly on senior debtholders. Deposits from SMEs and natural persons, including those in excess of EUR 100,000, will be preferred to senior creditors.

The tool applies as of 1 January 2015 to all outstanding and newly issued debt. Accordingly, in the event that Multitude Bank p.l.c. meets the trigger conditions for entry into resolution, any portion of the Bonds, including both principal and accrued interest, that will not be backed by collateral could become subject to a write-down or otherwise converted to equity as determined by the Resolution Authority. The write-down of liabilities and/or their conversion to equity will be beyond the Issuer's control. The write-down or conversion would follow the ordinary allocation of losses and ranking in insolvency. Equity has to absorb losses in full before any debt claim is subject to write-down or conversion. The determination by the Resolution Authority shall not constitute an event of default and Bondholders will not have any further claims in respect of any amount so written off, converted to equity or otherwise applied to absorb losses. As a result, Bondholders may lose all or part of their investment.

The term 'Resolution Authority', as utilised in this section, refers to the public administrative authority appointed within the jurisdiction of Malta and empowered to apply the resolution tools and exercise the resolution powers described in the BRRD. The resolution authority in Malta is the Malta Financial Services Authority.

#### **Low level risk**

##### **8. *The interests of the majority shareholder in the Guarantor may conflict with those of the Bondholders.***

The Guarantor's largest shareholder and the CEO, Jorma Jokela, controls approximately 55 per cent. of the shares in the Guarantor. According to the Terms and Conditions, if a Change of Control Event occurs, the Bondholders will have a right of prepayment of the Bonds (put option), please see below section "*The Bonds may be subject to early redemption or call option*" regarding potential consequences of a change of control event occurring and the risk that the Issuer or the Guarantor does not have enough liquidity to repurchase the Bonds if the Bondholders use their right of prepayment. The interests of Jorma Jokela or, following any potential change of control in the Issuer, any new majority shareholder in the Guarantor may conflict with those of the Bondholders, particularly if the Issuer or the Guarantor encounters difficulties or is unable to pay its debts as they fall due. A majority shareholder has legal power to control a large amount of the matters to be decided by vote at a shareholder's meeting. For example, a majority shareholder will have the ability to elect the board of directors. Furthermore, a majority shareholder may also have an interest in pursuing acquisitions, divestments, financings or other transactions that, in their judgment, could enhance the value of their equity investments although such transactions might involve risks to the Bondholders. There is nothing that prevents a shareholder or any of its affiliates from acquiring businesses that directly compete with the Group. If such an event were to occur, it could have a negative effect on the Group's operations, earnings and financial position.

#### **Low level risk**

##### **9. *The Bonds may be subject to early redemption or call option.***

Under the Terms and Conditions, the Issuer will reserve the possibility to redeem all outstanding Bonds before the final redemption date, however, only after the first call date falling 24 months after the issue of the Bonds. If the Bonds are redeemed before the final redemption date, the holders of the Bonds have the right to receive a redemption amount which may exceed the nominal amount in accordance with the Terms and Conditions. However, there is a risk that the market value of the Bonds is higher than the redemption amount and that it may not be possible for Bondholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Bonds and may only be able to do so at a significantly lower rate.

Furthermore, according to the Terms and Conditions, the Bonds will be subject to prepayment at the option of each Bondholder (put options) should a Change of Control Event (as defined in the Terms and Conditions) occur. There is, however, a risk that the Issuer, or the Guarantor, will not have sufficient funds at the time of such prepayment to make the required prepayment of the Bonds which could adversely affect the Issuer or the Guarantor, e.g. by causing insolvency or an event of default under the Terms and Conditions, and thus adversely affect all Bondholders and not only those that choose to exercise the option.

#### **Low level risk**

***10. The value of the Bonds is dependent on the level of market interest rate and changes in Benchmark Regulation may adversely affect the relevant benchmark of the Bonds.***

The Bonds' value depends on several factors, one of the most significant over time being the level of market interest. The market interest may be subject to significant fluctuations and the degree to which such interest rates may vary is uncertain. Investments in Bonds involve a risk that the market value of the Bonds may be adversely affected by changes in market interest rates or interest rate expectations. The Bonds bear the relevant EURIBOR (with a zero (0) floor) plus a margin. Hence, the interest rate is to a certain extent adjusted for changes in the level of the general interest rate. There is a risk that a decrease of the general interest rate level will adversely affect the value of the Bonds. The general interest rate level is to a high degree affected by international financial development and is outside the Group's control.

The process for determining EURIBOR and other interest-rate benchmarks is subject to a number of legislative acts and other regulations, most notably the Benchmark Regulation (Regulation (EU) 2016/1011 of the European parliament and of the council of 8 June 2016 on indices used as benchmarks in financial instruments and financial contracts or to measure the performance of investment funds and amending Directives 2008/48/EC and 2014/17/EU and Regulation (EU) No 596/2014). There is a risk that the Benchmark Regulation will affect how certain benchmarks are determined and how they develop in the future, and this could, for example, lead to increased volatility regarding some benchmarks. A further potential risk is that increased administrative requirements, and resulting regulatory risk, may discourage stakeholders from participating in the production of benchmarks, or that some benchmarks cease to be provided. If this would happen in respect of a benchmark that is used for the Bonds, it could potentially have negative effects for the Bondholders.

#### **F. Risks Relating to the Bondholders' Rights and Representation**

#### **Low level risk**

***1. A Bondholder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer since the Terms and Conditions provide for the appointment of a Bondholders' representative.***

Since the Terms and Conditions provide for the appointment of a Bondholders' representative, it is possible that a Bondholder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer, such right passing to the Bondholders' representative who is then exclusively responsible to claim and enforce the rights of all the Bondholders. Consequently, individual Bondholders do not have the right to take legal actions to declare any default by claiming any payment from or enforcing any security granted by the Issuer and may therefore lack effective remedies unless and until a requisite majority of the

Bondholders agree to take such action. However, there is a risk that an individual Bondholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions) which could negatively impact an acceleration of the Bonds or other action against the Issuer. To enable the Agent to represent Bondholders in court, the Bondholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all Bondholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions, the Agent will in some cases have the right to make decisions and take measures that bind all Bondholders. Consequently, the actions of the Agent in such matters could impact a Bondholder's rights under the Terms and Conditions in a manner that would be undesirable for some of the Bondholders.

#### **Low level risk**

##### ***2. Decisions by the Bondholders may be made with requisite majority***

The Terms and Conditions include certain provisions regarding Bondholders' meetings and written procedures. Such meetings and procedures may be held in order to resolve on matters relating to the Bondholders' interests. The Terms and Conditions allow for stated majorities to bind all Bondholders, including Bondholders who have not taken part in the meeting or procedure and those who have voted differently from the required majority in a written procedure or at a duly convened and conducted Bondholders' meeting. A Bondholder may, for instance, be bound by a majority's decision to accept a change of the interest rate, decision to accept a change of the final maturity date or decision to accept a change of the transaction security. Consequently, there is a risk that the actions of the majority in such matters will impact a Bondholder's rights in a manner that is undesirable for some of the Bondholders.

## **RESPONSIBILITY REGARDING THE PROSPECTUS**

This Prospectus has been prepared by Multitude Capital Oyj and Multitude Capital Oyj accepts responsibility regarding the information contained in this Prospectus and the information concerning the Issuer itself. Multitude Capital Oyj declares that, to the best of its knowledge, the information contained in this Prospectus is in accordance with the facts and this Prospectus makes no omission likely to affect its import. The Guarantor, Multitude P.L.C., accepts responsibility regarding the information contained in this Prospectus concerning the Group and the Guarantor itself and declares that, to the best of its knowledge, the information contained in this Prospectus concerning the Group and the Guarantor is in accordance with the facts and this Prospectus makes no omission likely to affect its import.

## **INFORMATION ABOUT THE ISSUER**

The business name of the Issuer is Multitude Capital Oyj. The Issuer is a public limited liability company incorporated in Finland, established on 30 May 2024, and it is organised under the laws of Finland. The Issuer is registered in the Finnish Trade Register under the business identity code 3454519-9. The Issuer's legal entity identifier code ("LEI") is 254900MZD3U3EEN29H19. The registered address of the Issuer is Ratamestarinkatu 11 A, 00520 Helsinki, Finland and its telephone number is +358 50 3539595. According to clause 3 of the Issuer's articles of association, the Issuer's field of activity is owning securities and real estate, trading securities and operating as service company to its group companies by providing, among other things, financial and administrative services to companies belonging to the same group. The Issuer may also participate in financing of its group companies by way of, among other things, providing and obtaining loans and granting security, guarantees, counter-guarantees and other commitments for and in relation to the obligations of its group companies. In addition, the Issuer's field of activity includes providing management consulting services and other consulting services relating to its field of activity. The Issuer is a wholly-owned subsidiary of the Guarantor and as the Issuer does not engage in any business operations of the Group and, currently, solely provides funds to the operating subsidiaries of the Group for their business operations, the Issuer is dependent on other Group companies' financial and operating performance and upon receipt of sufficient funds related to the operation of such entities. According to the Issuer's articles of association, the Issuer's line of business is to own securities and real estate, engage in securities trading, and act as a group service company by providing financial and administrative services to companies within the same group. Additionally, the company may engage in activities related to the financing of group companies, such as giving and taking loans, and providing guarantees, sureties, counter-guarantees, and other commitments on behalf of the group companies' obligations. Furthermore, the company's line of business includes management consulting and other related training and consulting activities.

## **INFORMATION ABOUT THE GUARANTOR**

The business name of the Guarantor is Multitude P.L.C. The Guarantor is a limited liability company (originally incorporated in Finland), established on 8 March 2005, and is currently, after the temporary relocation to Malta (completed on 30 June 2024), organised under the laws of Malta. The Guarantor is registered in the Malta Business Registry under registration number C 109441. In 2021, the Company changed its company name from Ferratum Oyj to Multitude SE and carried out a conversion from a Finnish public limited liability company into a European public limited liability company (Societas Europaea, SE). The Guarantor is in the process of relocating from Finland to Switzerland through a temporary relocation in Malta which was completed on 30 June 2024. With effect from 3 September 2024 and as part of the relocation, the company form of the Guarantor was converted from a European public limited liability company (Societas Europaea) to a public limited liability company, organized under the laws of Malta and the company name was changed from Multitude SE to Multitude P.L.C. The Guarantor's LEI is 74370078YLPFWHE33716. The registered address of the Guarantor is ST Business Centre, 120, the Strand, Gzira, GZR 1027, Malta and its telephone number is +35620927700. According to the Guarantor's articles of association (Article 4.1.), the Guarantor's field of activity includes the acquisition, holding, buying, and selling of shares, stocks, bonds, debentures, and other securities; investing the company's funds and assets as deemed appropriate; lending and advancing money, providing credit, guarantees, and security to companies within the Group; and receiving and transferring funds within the Group. The Guarantor is the parent company of the Group. As the Guarantor does not engage in any business operations of the Group directly, the Guarantor is dependent on other Group companies' financial and operating performance and upon receipt of sufficient funds related to the operation of such entities.

## INFORMATION ON THE GUARANTEE

*The following description is based on and must be read in conjunction with the Terms and Conditions and the Guarantee and Adherence Agreement (as defined below). To the extent there is any discrepancy between the Terms and Conditions, the Guarantee and Adherence Agreement and the following description, the Terms and Conditions and the Guarantee and Adherence Agreement, as applicable, will prevail. Capitalized terms used have the same meaning as defined in the Terms and Conditions or the Guarantee and Adherence Agreement, as applicable.*

The Guarantor has with Nordic Trustee & Agency AB (publ) (the "**Agent**") entered into a guarantee and adherence agreement dated 26 June 2024 (the "**Guarantee and Adherence Agreement**") whereby the Guarantor has in accordance with the terms of the Guarantee and Adherence Agreement unconditionally and irrevocably guaranteed to the Bondholders and the Agent the punctual performance of all present and future payment obligations and liabilities of the Issuer under the Finance Documents, including for the avoidance of doubt the Terms and Conditions (the "**Guarantee**"), and undertaken to adherence to the Terms and Conditions. The Guarantee is shared among the Bondholders and the Agent.

## INFORMATION DERIVED FROM THIRD PARTY SOURCES

This Prospectus contains information about Multitude's markets and estimates regarding Multitude's competitive position therein. Such information is prepared by Multitude based on third-party sources such as databases of Eurostat, Statista, European Central Bank (ECB), European Banking Authority (EBA) and the Organisation for Economic Co-operation and Development (OECD) and Multitude's own internal estimates. In many cases, there is no publicly available information on such market data. Multitude believes that its estimates of market data and information derived therefrom are helpful in order to give investors a better understanding of the industry in which it operates as well as its position within this industry. Although Multitude believes that its internal market observations are fair estimates, they have not been reviewed or verified by any external experts and Multitude cannot guarantee that a third-party expert using different methods would obtain or generate the same results. Further, Multitude has not independently verified, and cannot give any assurances as to the appropriateness of, such information. Should this Prospectus contain market data or market estimates in connection with no source has been presented, such market data or market estimate is based on Multitude's management's estimates.

The Issuer confirms that any information derived from third-party sources has been accurately reproduced herein and that, as far as the Issuer is aware and is able to ascertain from information published by such third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

## AVAILABILITY OF THE PROSPECTUS

This Prospectus will be available on or about the date of the Listing on the website of the Group at <https://www.multitude.com/investors>.

## CREDIT RATINGS

At the date of this Prospectus, the Issuer has not been granted any credit ratings. The Guarantor has been rated by the international credit rating agency Fitch Ratings Inc with a Long-Term Issuer Default Rating of B+ (positive).

The Bonds have been assigned a credit rating of B+/RR4 by Fitch Ratings Inc.

**B' ratings:** Pursuant to Finch Ratings Inc, B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

**The positive outlook:** A positive outlook indicates an upward trend on the rating scale.

**RR4 (Recovery Rating):** The Issuer's senior unsecured bond is rated in line with the Guarantor's Long-Term Issuer Default Rating (IDR). The rating alignment reflects Fitch's expectation of average recovery prospects. The bond constitutes a direct and unsecured senior obligation of the Issuer and ranks pari passu with all present and future senior unsecured obligations of the company.

Fitch Ratings Inc's credit rating scale for issuers and issues is expressed using the categories 'AAA' to 'BBB' (investment grade) and 'BB' to 'D' (speculative grade) with an additional +/- for AA through CCC levels indicating relative differences of probability of default or recovery for issues.

An affiliate of Fitch Ratings Inc., Fitch Ratings Ireland Limited (established in Ireland) is registered by the European Securities and Markets Authority ("ESMA") pursuant to the Regulation (EC) No 1060/2009 of the European Parliament and of the Council of 16 September 2009 on credit rating agencies, as amended by Regulation (EU) No 513/2011 of the European Parliament and of the Council of 11 May 2011, as amended by Directive 2011/61/EU of the European Parliament and of the Council of 8 June 2011, as amended by Regulation (EU) No. 462/2013 of the European Parliament and of the Council of 21 May 2013, as amended by Directive 2014/51/EU of the European Parliament and of the Council of 16 April 2014, as amended by Regulation (EU) 2017/2402 of the European Parliament and of the Council of 12 December 2017 and as amended by Regulation (EU) 2022/2554 of the European Parliament and of the Council of 14 December 2022.

## **FORWARD-LOOKING STATEMENTS**

This Prospectus contains forward-looking statements about Multitude's business that are not historical facts, but statements about future expectations. Such forward-looking statements are based on Multitude's present plans, estimates, projections and expectations. They are based on certain expectations, which, even though they seem to be reasonable at present, may turn out to be incorrect. Such forward-looking statements are based on assumptions and are subject to various risks and uncertainties. The words such as "aims", "assumes", "believes", "estimates", "expects", "will", "intends", "may", "plans", "should" and similar expressions or negative of such terms identify certain of such forward-looking statements. Other forward-looking statements can be identified in the context in which the statements are made. Forward-looking statements are set forth in a number of places in this Prospectus regarding the future results, plans and expectations with regard to Multitude's business, and on growth, profitability and the general economic conditions to which Multitude is exposed.

The forward-looking statements involve known and unknown risks, uncertainties and other important factors that could cause the actual results, performance or achievements of Multitude, or industry results, to differ materially from any future results, performance or achievements expressed or implied by such forward-looking statements. Such risks, uncertainties and other important factors include, among other things, risks described in section "Risk Factors", but are not limited to those discussed therein. Should one or more of these or other risks or uncertainties materialise, or should any underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Issuer and Multitude or the Issuer's ability to fulfil its obligations under the Bonds could differ materially from those described herein as anticipated, believed, estimated or expected. Prospective investors should not unduly rely on these forward-looking statements. Numerous factors may cause actual results, realised revenues or performance to differ materially from the results, revenues and performance expressed or implied in the forward-looking statements of Multitude. Multitude does not intend and does not assume any obligation to update any forward-looking statements contained herein or to adjust them in the light of future events or developments unless required by applicable legislation. For additional information on factors that could cause Multitude's actual results of operations, performance or achievements of Multitude to differ materially, see "*Risk Factors*".

## **NO INCORPORATION OF WEBSITE INFORMATION**

This Prospectus together with the documents incorporated by reference herein are available on Multitude's website at <https://www.multitude.com/investors>. However, any other information presented on Multitude's website or any other website does not form a part of this Prospectus (except for any supplement to the Prospectus and information which has been incorporated by reference into the Prospectus or any supplement thereto, see section "*Information Incorporated by Reference*"), and the information on such websites has not been scrutinised or approved by the FIN-FSA. Prospective investors should not rely on such information in making their decision to invest in Multitude's securities.

## **CONTROLLING SHAREHOLDER**

As at the date of this Prospectus, the Guarantor controls all the shares in the Issuer and Jorma Jokela, the CEO of the Guarantor, owns and controls approximately 55 per cent. of the shares in the Guarantor directly and indirectly through corporations over which he exercises control. Accordingly, the Guarantor has control over the Issuer as

referred to in Chapter 2, Section 4 of the Finnish Securities Market Act (Fi: *arvopaperimarkkinalaki*, 746/2012) while, through his direct and indirect ownership of approximately 55 per cent. of the shares in the Guarantor, Jorma Jokela has *de facto* control over the Guarantor.

The Finnish Companies Act (624/2006, as amended) (the “**Finnish Companies Act**”) is based on the principle of equal treatment of shareholders and sets out several restrictions on abuse of control of a shareholder in order to prevent giving certain shareholders undue advantage over other shareholders of a company. The Finnish Companies Act also contains a number of provisions to protect the minority shareholders. Generally, at least 2/3 of votes are required for, *inter alia*, amendments to the company’s Articles of Association (apart from certain exceptional cases, some of which are described below) and to resolve upon a share issue in deviation from the pre-emptive rights of shareholders.

However, a single shareholder has the right to, *inter alia*, block decisions through which the Articles of Association are amended so that: (i) the shareholder’s right to the profit or the net assets of the company is reduced; (ii) the shareholder’s liability for payments to the company is increased; (iii) the right to acquire the shares of the shareholder is restricted by incorporating in the Articles of Association a redemption clause or a consent clause; (iv) the shareholder’s pre-emptive right to shares is restricted; (v) the right to the minority dividend is restricted; (vi) a redemption term (Fi: *lunastusehto*) is attached to the shareholder’s shares; (vii) the company’s right to damages is restricted; and (viii) the balance between the rights carried by shares in the same class is altered and the change affects the shareholder’s shares. A shareholder also has the right to block redemption of shares in proportion other than that of the shares held by the shareholders (directed redemption). Further, at least 10 per cent. of votes or shares prevents the squeeze-out of the minority shareholders and, generally, a shareholder (or shareholders) holding at least 10 per cent. of the company shares can demand, after certain deductions, the distribution of half of the confirmed profit for the fiscal year.

The Maltese Companies Act (chapter 386 of the laws of Malta) (the “**Maltese Companies Act**”), as well as the Guarantor’s articles of association, respect the principle of equal treatment of shareholders and set out a number of restrictions which are designed to mitigate the risk of majority shareholders abusing their position. In particular, the Maltese Companies Act requires certain key decisions, including (a) amendments to a company’s memorandum or articles of association, (b) the withdrawal of the pre-emption rights enjoyed by shareholders in the context of share issuances, and (c) authorisations for the board of directors to issue shares, to be passed by means of an extraordinary resolution. An extraordinary resolution requires the approval of shareholders holding in the aggregate (i) not less than 75 per cent. in nominal value of the shares represented and entitled to vote at the relevant general meeting, and (ii) at least 51 per cent. in nominal value of all the shares entitled to vote at the same general meeting. Provided that, if one of the aforesaid majorities is obtained, but not both, another general meeting must be convened within 30 days to take a fresh vote on the proposed extraordinary resolution. At the second meeting the extraordinary resolution may be passed shareholders holding in the aggregate not less than 75 per cent. in nominal value of the shares represented and entitled to vote at the meeting. However, if more than half in nominal value of all the shares is represented at that meeting, a simple majority of the shares so represented shall suffice.

Moreover, the Maltese Companies Act, as well as the Guarantor’s articles of association, contain a number of provisions to protect minority shareholders. For instance, whenever shares of the Guarantor (as a Maltese public company) are proposed to be allotted for consideration in cash, those shares must first be offered on a pre-emption basis to existing shareholders in proportion to the share capital held by them, provided that these pre-emption rights may be withdrawn by means of an extraordinary resolution, as described above. In addition, one or more shareholders who together hold at least 10 per cent of the Guarantor’s issued shares may request an extraordinary general meeting to be convened. Furthermore, in terms of article 402 of the Maltese Companies Act, a shareholder who deems that the affairs of the company have been or are being or are likely to be conducted in a manner that is, or is likely to be, oppressive, unfairly discriminatory against, or unfairly prejudicial, to shareholders or in a manner that is contrary to the interests of the shareholders as a whole, may seek a remedy before the appropriate court. Other minority shareholder rights set out in the Maltese Companies Act include the right to apply for the Guarantor to be dissolved if legal grounds for dissolution exist such as an inability of the Guarantor to pay debts or on grounds of sufficient gravity; the right to request a court to appoint a director where the amount of directors falls below the statutory minimum or to appoint an auditor in case of an unfilled vacancy; and the right to vote on issues relating to certain types of reorganisations or mergers.

In addition, the Guarantor's articles of association allow a shareholder or shareholders holding not less than 5 per cent. of the issued share capital of the Guarantor to table draft resolutions for items included in the agenda of a general meeting. Additionally, Multitude has appropriate corporate governance policies, including committees, in place. Please see section "*Board of Directors, Management and Auditors of the Guarantor*" for further information.

The Issuer is not aware of any arrangements which may result in a change of control in the Issuer (see also "*Financial and Other Information – Share Capital and Ownership Structure*").

## **TAXATION**

Potential investors should be aware that the tax legislation of a potential investor's member state and of the Issuer's country of incorporation may have an impact on the income received from the Bonds.

## **OTHER INFORMATION**

Financial information set forth in a number of tables in this Prospectus has been rounded. Accordingly, in certain instances, the sum of the numbers in a column or row may not conform exactly to the total figure given for that column or row. In addition, certain percentages presented in the tables in this Prospectus reflect calculations based upon the underlying information prior to rounding and, accordingly, may not conform exactly to the percentages that would be derived if the relevant calculations were based upon the rounded numbers.

In this Prospectus, references to "euro" or "EUR" are to the currency of the member states of the EU participating in the European Economic and Monetary Union. References to any other currencies or currency codes are to current currencies in accordance with ISO 4217 Currency Codes standard.



## **TERMS AND CONDITIONS OF THE BONDS**



### **Terms and Conditions**

**Multitude Capital Oyj**

**Up to EUR 150,000,000**

**Senior Guaranteed Unsecured Callable Floating Rate Bonds**

**ISIN: NO0013259747**

**dated 26 June 2024**

Other than the registration of the Bonds under Swedish law, no action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of this document or any other material relating to the Issuer or the Bonds in any jurisdiction where action for that purpose is required. Persons into whose possession this document comes are required by the Issuer to inform themselves about, and to observe, any applicable restrictions.

## PRIVACY NOTICE

The Issuer, the Guarantor, the Issuing Agent, the Paying Agent and the Agent may collect and process personal data relating to the Bondholders, the Bondholders' representatives or agents, and other persons nominated to act on behalf of the Bondholders pursuant to the Finance Documents (name, contact details and, when relevant, holding of Bonds). The personal data relating to the Bondholders is primarily collected from the registry kept by the CSD. The personal data relating to other persons is primarily collected directly from such persons.

The personal data collected will be processed by the Issuer, the Guarantor, the Issuing Agent, the Paying Agent and the Agent for the following purposes:

- (a) to exercise their respective rights and fulfil their respective obligations under the Finance Documents;
- (b) to manage the administration of the Bonds and payments under the Bonds;
- (c) to enable the Bondholders' to exercise their rights under the Finance Documents; and
- (d) to comply with their obligations under applicable laws and regulations.

The processing of personal data by the Issuer, the Guarantor, the Issuing Agent, the Paying Agent and the Agent in relation to paragraphs (a) - (c) above is based on their legitimate interest to exercise their respective rights and to fulfil their respective obligations under the Finance Documents. In relation to paragraph (d) above, the processing is based on the fact that such processing is necessary for compliance with a legal obligation incumbent on the Issuer, the Guarantor, the Issuing Agent, the Paying Agent or the Agent. Unless otherwise required or permitted by law, the personal data collected will not be kept longer than necessary given the purpose of the processing.

Personal data collected may be shared with third parties, such as the CSD, when necessary to fulfil the purpose for which such data is processed.

Subject to any legal preconditions, the applicability of which have to be assessed in each individual case, data subjects have the rights as follows. Data subjects have right to get access to their personal data and may request the same in writing at the address of the Issuer, the Guarantor, the Issuing Agent, the Paying Agent and the Agent, respectively. In addition, data subjects have the right to (i) request that personal data is rectified or erased, (ii) object to specific processing, (iii) request that the processing be restricted and (iv) receive personal data provided by themselves in machine-readable format. Data subjects are also entitled to lodge complaints with the relevant supervisory authority if dissatisfied with the processing carried out.

The Issuer's, the Guarantor's, the Agent's, the Issuing Agent's and the Paying Agent's addresses, and the contact details for their respective Data Protection Officers (if applicable), are found on their websites [www.multitude.com](http://www.multitude.com) and [www.nordictrustee.com](http://www.nordictrustee.com).

## 1. Definitions and Construction

### 1.1 Definitions

In these terms and conditions (the "**Terms and Conditions**"):

**"Account Operator"** means a bank or other party duly authorised to operate as an account operator pursuant to the Securities Depository Act and through which a Bondholder has opened a Securities Account in respect of its Bonds.

**"Accounting Principles"** means international financial reporting standards (IFRS) within the meaning of Regulation 1606/2002/EC (or as otherwise adopted or amended from time to time) or, after a permitted relocation to Switzerland, within the meaning of the Swiss Ordinance on Recognized Accounting Standards (*Verordnung über die anerkannten Standards zur Rechnungslegung*).

**"Additional Amount"** has the meaning set forth in Clause 7(g).

**"Adjusted Nominal Amount"** means the Total Nominal Amount less the aggregate Nominal Amount of all Bonds owned by a Group Company or an Affiliate, irrespective of whether such Person is directly registered as owner of such Bonds.

**"Affiliate"** means any Person, directly or indirectly, controlling or controlled by or under direct or indirect common control with such specified Person. For the purpose of this definition, **"control"** when used with respect to any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting securities, by contract or otherwise; and the terms **"controlling"** and **"controlled"** have meanings correlative to the foregoing.

**"Agency Agreement"** means the agency agreement entered into on or about the First Issue Date, between the Issuer and the Agent, or any replacement agency agreement entered into after the First Issue Date between the Issuer and an agent.

**"Agent"** means Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden or another party replacing it, as agent, in accordance with these Terms and Conditions.

**"Base Rate"** means EURIBOR or any reference rate replacing EURIBOR in accordance with Clause 19 (*Replacement of Base Rate*).

**"Base Rate Administrator"** means European Money Markets Institute (EMMI) in relation to EURIBOR or any person replacing it as administrator of the Base Rate.

**"Bond"** means (i) a debt instrument (Sw. *skuldförbindelse*) for the Nominal Amount and which are governed by and issued under these Terms and Conditions, including the Initial Bonds and any Subsequent Bonds and (ii) any overdue and unpaid principal which has been issued under a separate ISIN in accordance with the regulations of the CSD from time to time.

**"Bondholder"** means the Person who is registered on a Securities Account as direct registered owner (Sw. *ägare*) or nominee (Sw. *förvaltare*) with respect to a Bond.

**"Bondholders' Meeting"** means a meeting among the Bondholders held in accordance with Clause 16 (*Bondholders' Meeting*).

**"Bond Issue"** means the Initial Bond Issue and any Subsequent Bond Issue.

**"Business Day"** means a day on which the deposit banks are generally open for business in Helsinki, Stockholm and Zug.

**"Call Option Amount"** mean the amount set out in Clause 9.3 (*Voluntary Total Redemption (Call Option)*), as applicable.

**"Capital Market Indebtedness"** means any present or future indebtedness (whether being principal, premium, interest or other amounts) in respect of borrowed money which is in the form of, or represented by, bonds, notes or any similar securities which are or are capable of being quoted, listed or traded on any stock exchange or other recognized and regulated securities market or certificates of indebtedness, where the repayable amount exceeds EUR 2,000,000.

**"Change of Control Event"** means the occurrence of an event or series of events whereby:

- (a) in the case of the Issuer, the Guarantor ceases to own 100 per cent. of the votes and shares in the Issuer; and
- (b) in the case of the Guarantor, one or more persons, not being Jorma Jokela, acting together acquire control over the Guarantor and where "control" means (A) acquiring or controlling, directly or indirectly, more than 50 per cent. of the voting shares of the Guarantor, or (B) the right to, directly or indirectly, appoint or remove the whole or a majority of the directors of the board of directors of the Guarantor.

**"Compliance Certificate"** means a certificate to the Agent, substantially in the form set forth in the agreed form Compliance Certificate between the Agent and the Issuer, signed by the Issuer, certifying (as applicable):

- (a) that so far as it is aware no Event of Default is continuing or, if it is aware that such event is continuing, specifying the event and steps, if any, being taken to remedy it;
- (b) if the Compliance Certificate is provided in connection with the delivery of a Financial Report only, the Compliance Certificate shall include calculation and figures in respect of the Maintenance Test for the relevant Reference Date; and/or
- (c) if the Compliance Certificate is provided in connection with the Distribution Test only, the certificate shall include calculations and figures in respect of the Distribution Test for the relevant test date.

**"CSD"** means the Issuer's central securities depository and registrar in respect of the Bonds, from time to time, initially Euronext VPS, the Norwegian Central Securities Depository Verdipapirsentralen ASA, Norwegian reg. no. 985 140 421, Fred Olsens gate 1, NO-0152 Oslo, Norway (trading as Euronext Securities Oslo), P.O. Box 1174 Sentrum, 0107 Oslo, with company registration number 985 140 421.

**"CSD Business Day"** means a day on which the relevant CSD settlement system is open and the relevant Bond currency settlement system is open.

**"Distribution Test"** means the distribution test set out in Clause 11.3 (*Distribution Test*).

**"EBIT"** means, in respect of the Relevant Period, the consolidated operating profit of the Group from ordinary activities according to the latest Financial Report(s):

- (a) before deducting any amount of tax on profits, gains or income paid or payable by any Group Company;
- (b) before deducting any interest payments in respect of Financial Indebtedness; and
- (c) before taking into account any restructuring costs or any extraordinary items or non-recurring items which are not in line with the ordinary course of business.

**"Equity"** means the equity as reported in the Group's balance sheet in accordance with the applicable Accounting Principles of the Group from time to time or as reported by Multitude Bank or the Issuer or any other Affiliate in accordance with EU Regulation No 575/2013 (as amended and together with Directive 2013/36/EU any and all implementing regulations referred to as "**CRR**") from time to time, including any subordinated capital securities issued by the Issuer or Multitude Bank or any other Affiliate provided that it is treated either as equity in accordance with the applicable accounting principles of the Group or as Common Equity Tier 1 capital, Additional Tier 1 capital or Tier 2 capital under the CRR.

"Euro" and "EUR" means the single currency of the participating member states in accordance with the legislation of the European Community relating to Economic and Monetary Union.

"EURIBOR" means:

- (a) the applicable percentage rate *per annum* displayed on Refinitiv screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period;
- (b) if no rate as described in paragraph (a) above is available for the relevant Interest Period, the rate determined by the Issuing Agent by linear interpolation between the two closest rates for EURIBOR fixing, as displayed on page EURIBOR01 of the Refinitiv screen (or any replacement thereof) as of or around 11.00 a.m. on the Quotation Day for Euro; or
- (c) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period, the arithmetic mean of the rates (rounded upwards to four decimal places), as supplied to the Issuing Agent at its request quoted by banks reasonably selected by the Issuing Agent, for deposits of EUR 10,000,000 for the relevant period; or
- (d) if no rate as described in paragraph (a) or (b) above is available for the relevant Interest Period and if no quotation is available pursuant to paragraph (c) above, the interest rate which according to the reasonable assessment of the Issuing Agent best reflects the interest rate for deposits in Euro offered for the relevant period; and

if any such rate is below zero, EURIBOR will be deemed to be zero.

"Event of Default" means an event or circumstance specified in any of the Clauses 13.1 (*Non-Payment*) to and including Clause 13.10 (*Continuation of the Business*).

"Exchange Offer Amount" means the aggregate nominal amount of the Existing Bonds exchanged into Bonds in connection with the Initial Bond Issue as a part of the Exchange Offer.

"Existing Bonds" means the up to EUR 150,000,000 bonds with ISIN: NO0012702549 of the Guarantor.

"Final Maturity Date" means 27 June 2028.

"Finance Documents" means:

- (a) these Terms and Conditions;
- (b) the Guarantee and Adherence Agreement;
- (c) the Agency Agreement; and
- (d) any other document designated by the Issuer and the Agent as a Finance Document.

"Financial Indebtedness" means any indebtedness in respect of:

- (a) monies borrowed or raised, including (including Capital Market Indebtedness);
- (b) the amount of any liability in respect of any finance leases, to the extent the arrangement is or would have been treated as a finance lease in accordance with the accounting principles applicable on the First Issue Date (a lease which in the accounts of the Group is treated as an asset and a corresponding liability);
- (c) receivables sold or discounted (on a recourse basis);

- (d) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (e) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price (and, when calculating the value of any derivative transaction, only the mark to market value shall be taken into account, provided that if any actual amount is due as a result of a termination or a close-out, such amount shall be used instead);
- (f) any counter indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution; and
- (g) (without double counting) any guarantee or other assurance against financial loss in respect of a type referred to in the above paragraphs (a)-(f) above.

**"Financial Report"** means the Issuer's and the Group's annual audited consolidated financial statements or quarterly interim unaudited reports of the Issuer and the Group, which shall be prepared and made available according to Clauses 10.1(a)(i) and 10.1(a)(ii).

**"Finnish Companies Act"** means the Finnish Companies Act (624/2006, as amended from time to time, *Fi. osakeyhtiölaki*).

**"First Call Date"** means the date falling 24 months after the First Issue Date.

**"First Issue Date"** means 27 June 2024.

**"Floating Rate Margin"** means 6.75 per cent. *per annum*.

**"Force Majeure Event"** has the meaning set forth in Clause 27(a).

**"Group"** means the Guarantor and its Subsidiaries from time to time (each a **"Group Company"**).

**"Guarantee and Adherence Agreement"** means a guarantee and adherence agreement by and between the Guarantor and the Agent whereby the Guarantor irrevocable and unconditionally, guarantees to the Bondholders and the Agent, the punctual performance of the Issuer's obligations under the Finance Documents and undertakes to adherence to these Terms and Conditions where they relate to it.

**"Guarantor"** means Multitude SE, Finnish business ID 1950969-1 (as may be changed as a result of Relocation).

**"Initial Bond Issue"** means the issuance of the Initial Bonds.

**"Initial Bonds"** means the Bonds issued on the First Issue Date.

**"Insolvent"** means, in respect of a relevant Person, that it (i) is deemed to be insolvent, within the meaning of Section 1 of Chapter 2 of the Finnish Bankruptcy Act (*Fi. Konkursilaki (120:2004, as amended)*) (or its equivalent in any other jurisdiction), (ii) admits inability to pay its debts as they fall due, (iii) suspends making payments on any of its debts or (iv) by reason of actual financial difficulties commences negotiations with its creditors with a view to rescheduling any of its indebtedness (including company reorganization under the Finnish Act on Company Reorganisation (*Fi. Laki yrityksen saneerauksesta (47/1993, as amended)*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

**"Interest"** means the interest on the Bonds calculated in accordance with Clauses 8(a) to 8(c).

**"Interest Payment Date"** means 27 September, 27 December, 27 March and 27 June each year. The first Interest Payment Date shall be 27 September 2024. The last Interest Payment Date shall be the Final Maturity Date (or such earlier date on which the Bonds are redeemed in full), or to the extent such day is not a CSD Business Day, the first following day that is a CSD Business Day, unless that day falls in the next calendar month, in which case that date will be the first preceding day that is a CSD Business Day.

**"Interest Period"** means (i) in respect of the first Interest Period, the period from (and including) the First Issue Date to (but excluding) the first Interest Payment Date, and (ii) in respect of subsequent Interest Periods, the period from (and including) an Interest Payment Date to (but excluding) the next succeeding Interest Payment Date (or a shorter period if relevant).

**"Interest Rate"** means the Base Rate plus the Floating Rate Margin, as adjusted by any application of Clause 19 (*Replacement of Base Rate*).

**"Issue Date"** means the First Issue Date and any subsequent date when a Subsequent Bond Issue takes place.

**"Issuer"** means Multitude Capital Oyj, Finnish business ID 3454519-9.

**"Issuing Agent"** means Pareto Securities AB, or another party replacing it, as Issuing Agent, in accordance with these Terms and Conditions.

**"Joint Bookrunners"** means Arctic Securities AS and Pareto Securities AB.

**"Main Shareholder"** means Jorma Jokela.

**"Maintenance Covenant"** means the maintenance covenant set out in Clause 11.1 (*Maintenance Covenant*).

**"Material Adverse Effect"** means a material adverse effect on:

- (a) the business, financial condition or operations of the Group taken as a whole;
- (b) the ability of the Issuer to perform and comply with its payment obligations under the Terms and Conditions; or
- (c) the validity or enforceability of the Terms and Conditions.

**"Material Group Company"** means the Guarantor, the Issuer and any Subsidiary representing more than 10 per cent. of the EBIT of the Group on a consolidated basis according to the latest Financial Report provided however that no Subsidiary will constitute a Material Group Company if, and as long as, it has a negative EBIT.

**"Minority Dividend"** means a distribution of dividend pursuant to a resolution by the Issuer or the Guarantor (as applicable) (i) in accordance with Chapter 13, Section 7 of the Finnish Companies Act and based on a demand made by shareholders attending in an Annual General Meeting of the shareholders and representing at least ten per cent. of all shares of the Issuer or the Guarantor (as applicable) or other applicable legislation of the Relevant Jurisdiction or (ii) in accordance with a proposal made by the Board of Directors which proposal is based on a claim for minimum dividend pursuant to Chapter 13, Section 7 of the Finnish Companies Act made by shareholders representing at least ten per cent. of all shares of the Issuer or the Guarantor (as applicable) or other applicable legislation of the Relevant Jurisdiction, provided that such proposal by the Board of Directors may not exceed the claim made by the shareholders or the amount the shareholders can request pursuant to Chapter 13, Section 7 of the Finnish Companies Act or other applicable legislation of the Relevant Jurisdiction. Such claim shall be made before the Annual General Meeting makes a decision on the use of the profit funds.

**"MTF"** means any multilateral trading facility as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

**"Multitude Bank"** means Multitude Bank p.l.c., reg. no. 56251.

**"Net Equity Ratio"** means Equity as a percentage of Net Total Assets.

**"Net Proceeds"** means the cash proceeds (for the avoidance of doubt, excluding the Exchange Offer Amount) from the Initial Bond Issue after deduction has been made for the Transaction Costs payable by the Issuer to the Joint Bookrunners (if the Joint Bookrunners have requested that their respective fees and costs shall be deducted) and the Issuing Agent for the services provided in relation to the placement and issuance of the Bonds.

**"Net Total Assets"** means the Total Assets less any cash and cash equivalents of the Group in accordance with the Accounting Principles.

**"Nominal Amount"** has the meaning set forth in Clause 2(c).

**"Paying Agent"** means Pareto Securities AS, reg. no. 956 632 374, Dronning Mauds gate 3, N-0115 Oslo, Norway.

**"Permitted Security"** means:

- (a) any security provided under the Finance Documents;
- (b) any security required to be provided by any competent authority or any applicable law or regulation;
- (c) any lien arising by operation of law, retention of title arrangements relating to prepayments or similar arrangements in the ordinary course of business and not arising as a result of any default or omission;
- (d) any security for, or payment or close-out netting or set-off arrangement in respect of, derivative transactions or clearing activities;
- (e) any security or quasi-security in respect of repo transactions entered into by the Issuer or Multitude Bank in the ordinary course of its business, provided that the security or quasi-security for each such repo transaction is discharged within six months of the granting thereof;
- (f) any netting or set-off arrangement entered into in the ordinary course of its banking arrangements for the purpose of netting debit and credit balances;
- (g) any security provided for in any foreign exchange transactions or interest rate hedging transactions;
- (h) any security created for the benefit of the financing providers in relation to any Financial Indebtedness incurred in connection with a refinancing of the Bonds in full and provided further that such Financial Indebtedness is subject to an escrow arrangement up until the redemption of the Bonds (taking into account the rules and regulations of the CSD), for the purpose of securing, inter alia, the redemption of the Bonds; and
- (i) any security provided for in any guarantee or counter-indemnity obligation in the ordinary course of business.

**"Person"** means any individual, corporation, partnership, limited liability company, joint venture, association, joint-stock company, trust, unincorporated organisation, government, or any agency or political subdivision thereof or any other entity, whether or not having a separate legal personality.

**"Quotation Business Day"** means a day on which Norges Bank's settlement system is open.

**"Quotation Day"** means, in relation to any period for which an interest rate is to be determined, two Quotation Business Days before the first day of that period.

**"Record Date"** means the date on which a Bondholder's ownership of Bonds shall be recorded in the CSD as follows:

- (a) in relation to payments pursuant to these Terms and Conditions, the date designated as the Record Date in accordance with the rules of the CSD from time to time; or
- (b) for the purpose of casting a vote with regard to Clause 15 (Decisions by Bondholders), the date falling on the immediate preceding CSD Business Day to the date of that Bondholders' decision being made, or another date as accepted by the Agent.

**"Redemption Date"** means the date on which the relevant Bonds are to be redeemed or repurchased in accordance with Clause 9 (*Redemption and Repurchase of the Bonds*).



**"Reference Date"** means 31 March, 30 June, 30 September and 31 December in each year as any Bonds are outstanding.

**"Reference Period"** means each period of 12 consecutive calendar months.

**"Refinancing Amount"** means an amount of EUR 50,000,000 less the nominal amount of the Existing Bonds exchanged into Bonds in connection with the Initial Bond Issue.

**"Regulated Market"** means any regulated market as defined in the Markets in Financial Instruments Directive 2014/65/EU (MiFID II), as amended.

**"Relevant Jurisdiction"** means:

(a) prior to the relocation referred to in paragraph 1.2(b), Finland; and

(b) after the relocation referred to in paragraph 1.2(b):

(i) Malta; and

(ii) Switzerland,

as the case may be.

**"Restricted Distribution"** has the meaning set forth in Clause 12.2(a).

**"Securities Account"** means the account for dematerialised securities maintained by the CSD pursuant to the Securities Depository Act in which (i) an owner of such security is directly registered or (ii) an owner's holding of securities is registered in the name of a nominee.

**"Securities Depository Act"** means the Norwegian Securities Depository Act (No. *lov om registrering av finansielle instrumenter* (lov 05.07.2002 no. 64)).

**"Security"** means a mortgage, charge, pledge, lien, security assignment or other security interest securing any obligation of any Person, or any other agreement or arrangement having a similar effect.

**"Subsequent Bond Issue"** has the meaning set forth in Clause 2(e).

**"Subsequent Bonds"** means any Bonds issued after the First Issue Date on one or more occasions.

**"Subsidiary"** means, in respect of which such Person, directly or indirectly:

(a) owns shares or ownership rights representing more than 50 per cent. of the total number of votes held by the owners;

(b) otherwise controls more than 50 per cent. of the total number of votes held by the owners; or

(c) has the power to appoint and remove all, or the majority of, the members of the board of directors or other governing body.

**"Total Assets"** means the total assets as reported in the Group's balance sheet calculated in accordance with the Accounting Principles as applied by the Group.

**"Total Nominal Amount"** means the total aggregate Nominal Amount of the Bonds outstanding at the relevant time.

**"Transaction Costs"** means all fees, costs and expenses, stamp, registration and other taxes incurred by the Issuer or any other member of the Group in connection with (i) the Initial Bond Issue or a Subsequent Bond Issue and (ii) the listing of the Bonds.

**"Withholding Tax Event"** means an event whereby the Issuer is obliged to pay any Additional Amounts in accordance with Clause 7(g).

**"Written Procedure"** means the written or electronic procedure for decision making among the Bondholders in accordance with Clause 17 (*Written Procedure*).

## **1.2 Construction**

- (a) Unless a contrary indication appears, any reference in these Terms and Conditions to:
  - (i) "assets" includes present and future properties, revenues and rights of every description;
  - (ii) any agreement or instrument is a reference to that agreement or instrument as supplemented, amended, novated, extended, restated or replaced from time to time;
  - (iii) a "**regulation**" includes any regulation, rule or official directive, request or guideline (whether or not having the force of law) of any governmental, intergovernmental or supranational body, agency, department or regulatory, self-regulatory or other authority or organisation;
  - (iv) an Event of Default is continuing if it has not been remedied or waived;
  - (v) a provision of law is a reference to that provision as amended or re-enacted; and
  - (vi) a time of day is a reference to Stockholm time.
- (b) Notwithstanding any provision under the Terms and Conditions, no provision shall prevent the Guarantor from completing the relocation of the Guarantor's registered office to Malta and/ or to Zug, Switzerland, and taking any necessary action in respect of the same in accordance with and as provided for under the procedure under the European Company (SE) Regulation (EC) No 2157/2001 or the Swiss Private International Law Act.
- (c) Notwithstanding any provision under the Terms and Conditions, no provision shall prohibit or prevent the Guarantor, Issuer, Multitude Bank or any other regulated Group Company from fulfilling its regulatory obligations at any time.
- (d) When ascertaining whether a limit or threshold specified in EUR has been attained or broken, an amount in another currency shall be counted on the basis of the rate of exchange for such currency against EUR for the previous Business Day, as published by the European Central Bank on its website [www.ecb.europa.eu](http://www.ecb.europa.eu). If no such rate is available, the most recently published rate shall be used instead.
- (e) A notice shall be deemed to be sent by way of press release if it is made available to the public within the European Economic Area and/or Switzerland promptly and in a non-discriminatory manner.
- (f) No delay or omission of the Agent or of any Bondholder to exercise any right or remedy under the Finance Documents shall impair or operate as a waiver of any such right or remedy.
- (g) The privacy notice and any other information contained in this document before the table of contents section do not form part of these Terms and Conditions and may be updated without the consent of the Bondholders, the Issuing Agent, the Paying Agent and the Agent.

## **2. Status of the Bonds**

- (a) The Bonds are denominated in Euro and each Bond is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Bonds and to comply with these Terms and Conditions.

- (b) By subscribing for Bonds, each initial Bondholder agrees that the Bonds shall benefit from and be subject to the Finance Documents and by acquiring Bonds, each subsequent Bondholder confirms such agreement.
- (c) The initial nominal amount of each Initial Bond is EUR 1,000 (the "**Nominal Amount**"). The Total Nominal Amount of the Initial Bonds is EUR 80,000,000. All Initial Bonds are issued on a fully paid basis at an issue price of 97.60 per cent. of the Nominal Amount.
- (d) The minimum permissible investment in the Initial Bond Issue is EUR 100,000.
- (e) Provided that no Event of Default is continuing or would result from such issue, the Issuer may, at one or several occasions, issue Subsequent Bonds (each such issue, a "**Subsequent Bond Issue**"). Subsequent Bonds shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate, the Nominal Amount and the Final Maturity Date applicable to the Initial Bonds shall apply to Subsequent Bonds. The price of the Subsequent Bonds may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Bonds (the Initial Bonds and all Subsequent Bonds) may not exceed EUR 150,000,000 unless a consent from the Bondholders is obtained in accordance with Clause 15(e)(i). Each Subsequent Bond shall entitle its holder to Interest in accordance with Clause 8(a), and otherwise have the same rights as the Initial Bonds.
- (f) The Bonds constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer and shall at all times rank (i) without any preference among them and (ii) at least *pari passu* with all direct, unconditional, unsubordinated and unsecured obligations of the Issuer, except those obligations which are mandatorily preferred by law.
- (g) The Bonds are freely transferable but the Bondholders may be subject to purchase or transfer restrictions with regard to the Bonds, as applicable, under local laws to which a Bondholder may be subject. Each Bondholder must ensure compliance with such restrictions at its own cost and expense.
- (h) No action is being taken in any jurisdiction that would or is intended to permit a public offering of the Bonds or the possession, circulation or distribution of any document or other material relating to the Issuer or the Bonds in any jurisdiction other than Sweden, where action for that purpose is required. Each Bondholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Bonds.

### **3. Use of Proceeds**

- (a) The Net Proceeds from the Initial Bond Issue shall be used to:
  - (i) refinance the Existing Bonds (to the extent existing Bonds have not been exchanged for Bonds in connection with the Bond Issue);
  - (ii) finance Transaction Costs; and
  - (iii) finance general corporate purposes of the Group.
- (b) The proceeds from any Subsequent Bond Issue shall be used to, inter alia, finance transaction costs and general corporate purposes of the Group.

### **4. Conditions Precedent**

- (a) The Issuing Agent shall pay the net proceeds from the Initial Bond Issue to the Issuer on the later of the First Issue Date and the day on which the Agent notifies the Issuing Agent that it has received the following:
  - (i) constitutional documents and corporate resolutions (approving the relevant Finance Documents and authorising a signatory/-ies to execute the Finance Documents) for the Issuer, the Guarantor and each other party to a Finance Document (other than the Agent), together constituting evidence that the Finance Documents have been duly executed;

- (ii) copies of the Finance Documents, duly executed;
  - (iii) an agreed form Compliance Certificate;
  - (iv) legal opinion(s) on the capacity and due execution, in respect of any non-Swedish entity being party to a Finance Document issued by the legal counsel to the Issuer; and
  - (v) legal opinion(s) on the validity and enforceability of any Finance Document not governed by Swedish law (if any).
- (b) The Agent may assume that the documentation delivered to it pursuant to Clause 4(a) is accurate, legally valid, correct and complete unless it has actual knowledge that this is not the case and the Agent does not have to verify the contents of any such documentation. The documentation and evidence delivered to the Agent pursuant to Clause 4(a) above are not reviewed by the Agent from a legal or commercial perspective of the Bondholders.
- (c) If the conditions precedent for disbursement set out in Clause 4(a) have not been fulfilled to the satisfaction of the Agent (acting reasonably) or waived by the Agent within 45 Business Days from the First Issue Date, the Issuer shall repurchase all Bonds at a price equal to 100 per cent. of the Nominal Amount together with any accrued Interest. The repurchase date shall fall no later than 30 Business Days after the ending of the 45 Business Days period referred to above.

## **5. Bonds in Book-Entry Form**

- (a) The Bonds will be registered for the Bondholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Bonds will be registered in dematerialised form in the CSD according to the relevant securities registration legislation and the requirements of the CSD registration requests relating to the Bonds shall be directed to an Account Operator.
- (b) The Issuer shall at all times ensure that the registration of the Bonds in the CSD is correct and shall as soon as practicably possible after any amendment or variation of these Terms and Conditions give notice to the CSD of any such amendment or variation.
- (c) In order to carry out its functions and obligations under these Terms and Conditions, the Agent will have access to the relevant information regarding ownership of the Bonds, as recorded and regulated with the CSD (subject to applicable law).
- (d) For the purpose of or in connection with any Bondholders' Meeting or any Written Procedure, the Agent shall be entitled to obtain information from the debt register kept by the CSD in respect of the Bonds (subject to applicable law).
- (e) The Issuer shall issue any necessary power of attorney to such Persons employed by the Agent, as notified by the Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Bonds. The Issuer may not revoke any such power of attorney unless directed by the Agent or unless consent thereto is given by the Bondholders.

## **6. Right to Act on Behalf of a Bondholder**

- (a) If a beneficial owner of a Bond not being registered as a Bondholder wishes to exercise any rights under the Finance Documents, it must obtain proof of ownership of the Bonds, acceptable to the Agent.
- (b) A Bondholder may issue one or several powers of attorney or other authorisation to third parties to represent it in relation to some or all of the Bonds held by it. Any such representative may act independently under the Finance Documents in relation to the Bonds for which such representative is entitled to represent the Bondholder and may further delegate its right to represent the Bondholder by way of a further power of attorney.
- (c) A Bondholder (whether registered as such or proved to the Agent's satisfaction to be the beneficial owner of the Bond as set out in Clause 6(a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Bonds held or beneficially owned by such Bondholder. The Agent shall only

have to examine the face of a power of attorney or similar evidence of authorisation that has been provided to it pursuant to this Clause 6(c) and may assume that it is in full force and effect, unless otherwise is apparent from its face or the Agent has actual knowledge to the contrary.

## **7. Payments in Respect of the Bonds**

(a) The Issuer will unconditionally make available to or to the order of the Agent and/or the Paying Agent all amounts due on each payment date pursuant to the terms of these Terms and Conditions at such times and to such accounts as specified by the Agent and/or the Paying Agent in advance of each payment date or when other payments are due and payable pursuant to these Terms and Conditions.

(b) All payments to the Bondholders in relation to the Bonds shall be made to each Bondholder registered as such in the CSD at the relevant Record Date, by, if no specific order is made by the Agent, crediting the relevant amount to the bank account nominated by such Bondholder in connection with its securities account in the CSD.

(c) Payment constituting good discharge of the Issuer's payment obligations to the Bondholders under these Terms and Conditions will be deemed to have been made to each Bondholder once the amount has been credited to the bank holding the bank account nominated by the Bondholder in connection with its securities account in the CSD. If the paying bank and the receiving bank are the same, payment shall be deemed to have been made once the amount has been credited to the bank account nominated by the Bondholder in question.

(d) If a payment date to the Bondholders pursuant to the Finance Documents falls on a day on which either of the relevant CSD settlement system or the relevant currency settlement system for the Bonds are not open, the payment shall be made on the first following possible day on which both of the said systems are open, unless any provision to the contrary have been set out for such payment in the relevant Finance Document.

(e) If, due to any obstacle for the CSD, the Issuer cannot make a payment or repayment, such payment or repayment may be postponed until the obstacle has been removed. Interest shall accrue without any default interest in accordance with Clause 8(d) during such postponement.

(f) If payment or repayment is made in accordance with this Clause 7, the Issuer and the CSD shall be deemed to have fulfilled their obligation to pay, irrespective of whether such payment was made to a Person not entitled to receive such amount.

(g) All amounts payable by the Issuer to the Bondholders shall be made without withholding or deduction for or on account of any present or future taxes or duties of whatever nature imposed or levied by or on behalf of Sweden, Malta or Switzerland or any authority thereof or therein unless such withholding or deduction is required by law or regulation or the interpretation or application of such laws or regulations. If such withholding or deduction is required, the Issuer will at the request of the relevant Bondholder pay such additional amounts (the "**Additional Amounts**") as are necessary in order that the net amount received by the relevant Bondholder, after such withholding or deduction, shall be equal to the respective amounts which would otherwise have been receivable in the absence of such withholding or deduction.

(h) Notwithstanding Clause 7(g), no Additional Amounts shall be payable on account of any taxes or duties which:

(i) are payable by reason of any relevant person having, or having had, some connection with Sweden, Malta or Switzerland other than the mere holding of the Bond(s);

(ii) would not be payable if a relevant person made a declaration of non-residence or similar claim for exemption to the relevant tax authority;

(iii) would not be payable if a relevant person could claim an exemption under a tax treaty;

(iv) are withheld or deducted pursuant to any European Union Directive or Regulation concerning the taxation of interest income or any provision of law implementing or complying with such Directive or Regulation; or

(v) gives rise to a tax credit that may be effectively used by a relevant person.

(i) Notwithstanding anything to the contrary in these Terms and Conditions, the Bonds shall be subject to, and any payments made in relation thereto shall be made in accordance with, the rules and procedures of the CSD.

## **8. Interest**

(a) Each Initial Bond carries Interest at the Interest Rate from (and including) the First Issue Date up to (but excluding) the relevant Redemption Date. Any Subsequent Bond will carry Interest at the Interest Rate from (and including) the Interest Payment Date falling immediately prior to its issuance (or the First Issue Date if there is no such Interest Payment Date) up to (but excluding) the relevant Redemption Date.

(b) Interest accrues during an Interest Period. Payment of Interest in respect of the Bonds shall be made to the Bondholders on each Interest Payment Date for the preceding Interest Period.

(c) Interest shall be calculated on the basis of the actual number of days in the Interest Period in respect of which payment is being made divided by 360 (actual/360-days basis).

(d) If the Issuer fails to pay any amount payable by it on its due date under the Finance Documents ("**Overdue Amount**"), default interest shall accrue on the Overdue Amount from (and including) the due date up to (but excluding) the date of actual payment at a rate which is two per cent. higher than the Interest Rate. Accrued default interest accrued shall not be capitalised. No default interest shall accrue where the failure to pay was solely attributable to the Agent or the CSD, in which case the Interest Rate shall apply instead. These Terms and Conditions apply with identical terms and conditions to (i) all Bonds issued under this ISIN and (ii) any Overdue Amounts issued under one or more separate ISIN in accordance with the regulations of the CSD from time to time. Holders of Overdue Amounts related to interest claims will not have any other rights under these Terms and Conditions than their claim for payment of such interest claim which claim shall be subject to Clause 15(g).

## **9. Redemption and Repurchase of the Bonds**

### **9.1 Redemption at Maturity**

The Issuer shall redeem all, but not only some, of the outstanding Bonds in full on the Final Maturity Date with an amount per Bond equal to the Nominal Amount together with accrued but unpaid Interest. If the Final Maturity Date is not a CSD Business Day, then the redemption shall occur on the first following CSD Business Day.

### **9.2 Group Companies' Purchase of Bonds**

Each Group Company may, subject to applicable law, at any time and at any price purchase Bonds on the market or in any other way provided that any Bond purchased by a Group Company (other than the Issuer) will promptly be surrendered to the Issuer. The Bonds held by the Issuer (including Bonds repurchased by the Issuer pursuant to Clause 9.5 (*Mandatory Repurchase Due to a Change of Control Event (Put Option)*)) may at the Issuer's discretion be retained or sold but not cancelled (other than in connection with a total redemption or repurchase of all Bonds).

### **9.3 Voluntary Total Redemption (Call Option)**

(a) The Issuer may redeem all, but not only some, of the outstanding Bonds in full:

(i) any time from and including the First Issue Date to, but excluding, the First Call Date at an amount per Bond equal to 103.375 per cent. of the Nominal Amount plus the remaining interest payments, calculated in accordance with Clause 9.3(c), up to the First Call Date, together with accrued but unpaid Interest;

(ii) any time from and including the First Call Date to, but excluding, the first Business Day falling 30 months after the First Issue Date at an amount per Bond equal to 103.375 per cent. of the Nominal Amount, together with accrued but unpaid Interest;

(iii) any time from and including the first Business Day falling 30 months after the First Issue Date to, but excluding, the first Business Day falling 36 months after the First Issue Date at an amount per Bond equal to 102.55 per cent. of the Nominal Amount, together with accrued but unpaid Interest;

(iv) any time from and including the first Business Day falling 36 months after the First Issue Date to, but excluding, the first Business Day falling 42 months after the First Issue Date at an amount per Bond equal to 101.70 per cent. of the Outstanding Nominal Amount, together with accrued but unpaid interest; and

(v) any time from and including the first Business Day falling 42 months after the First Issue Date to, but excluding, the Final Maturity Date at an amount per Bond equal to 100.85 per cent. of the Nominal Amount, together with accrued but unpaid Interest.

(b) Redemption in accordance with Clause 9.3(a) shall be made by the Issuer giving not less than 15 Business Days' notice to the Bondholders and the Agent. Upon receipt of such notice, the Agent shall inform the Paying Agent. The notice shall specify the Redemption Date (such Redemption Date being a CSD Business Day) and also the Record Date on which a person shall be registered as a Bondholder to receive the amounts due on such Redemption Date. Any such notice is irrevocable but may, at the Issuer's discretion, contain one or more conditions precedent. Upon expiry of such notice and the fulfillment of the conditions precedent (if any), the Issuer is bound to redeem the Bonds in full at the applicable amounts.

(c) For the purpose of calculating the remaining interest payments pursuant to Clause 9.3(a)(i) it shall be assumed that the Interest Rate for the period from the relevant Record Date to the First Call Date will be equal to the Interest Rate in effect on the date on which notice of redemption is given to the Bondholders. The relevant Record Date shall be agreed upon between the Issuer and the Agent in connection with such repayment.

#### **9.4 Early Redemption Due to a Withholding Tax Event**

(a) Upon the occurrence of a Withholding Tax Event and that the obligation to pay Additional Amounts cannot be avoided by reasonable measures available to the Issuer, the Issuer may redeem all, but not only some, of the outstanding Bonds in full at an amount per Bond equal to 100 per cent. of the Nominal Amount together with accrued and unpaid interest and the relevant Additional Amount.

(b) The Issuer shall give notice of any redemption pursuant to Clause 9.4(a) no later than 30 Business Days after having received actual knowledge of the Withholding Tax Event (after which time period such right shall lapse). The redemption date shall occur within 20 Business Days after the expiration of the aforementioned time period of 30 Business Days.

(c) A notice of redemption in accordance with this Clause 9.4 is irrevocable and, on the date specified in such notice, the Issuer is bound to redeem the Bonds in full at the applicable amounts.

#### **9.5 Mandatory Repurchase Due to a Change of Control Event (Put Option)**

(a) Upon the occurrence of a Change of Control Event each Bondholder shall have the right to request that all, or some only, of its Bonds be repurchased at a price per Bond equal to 101 per cent. of the Nominal Amount together with accrued but unpaid Interest, during a period of 60 Business Days following a notice from the Issuer of the Change of Control Event pursuant to Clause 10.1(d) (after which time period such rights lapse). However, such period may not start earlier than upon the occurrence of the Change of Control Event.

(b) The notice from the Issuer pursuant to Clause 10.1(d) shall specify the repurchase date and include instructions about the actions that a Bondholder needs to take if it wants Bonds held by it to be repurchased. If a Bondholder has so requested, and acted in accordance with the instructions in the notice from the Issuer, the Issuer shall repurchase the relevant Bonds and the repurchase amount shall fall due on the repurchase date specified in the notice given by the Issuer pursuant to Clause 10.1(d). The repurchase date must fall no later than 20 Business Days after the end of the period referred to in Clause 9.5(a).

(c) Any Bonds repurchased by the Issuer pursuant to this Clause 9.5 may at the Issuer's discretion be retained or sold but not cancelled (other than in connection with a total redemption of all Bonds).

## 9.6 General

The Issuer shall comply with the requirements of any applicable securities laws or regulations in connection with the repurchase of Bonds. To the extent that the provisions of such laws and regulations conflict with the provisions in this Clause 9, the Issuer shall comply with the applicable securities laws and regulations and will not be deemed to have breached its obligations under this Clause 9 by virtue of the conflict.

## 10. Information to Bondholders

### 10.1 Information from the Issuer

(a) The Issuer and, in relation to (i) and (ii) below, the Guarantor shall make the following information available in the English language to the Bondholders by publication on the website of the Group:

(i) as soon as the same become available, but in any event within four months after the end of each financial year, its annual audited consolidated financial statements, including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Guarantor's board of directors;

(ii) as soon as the same become available, but in any event within two months after the end of each quarter of its financial year, the Group's quarterly unaudited consolidated reports or the year-end report (as applicable), including a profit and loss account, a balance sheet, a cash flow statement and management commentary or report from the Guarantor's board of directors, other than the unaudited year-end report (Sw. *bokslutskommuniké*) which shall be prepared and made available on its website no later than three months after the end of each financial year; and

(iii) any other information required by the Finnish Securities Market Act (Fi. *Arvopaperimarkkinalaki (746/2012, as amended)*) and the rules and regulations of the Regulated Market or other market place on which the Bonds are admitted to trading.

(b) When the Bonds have been listed on a MTF or Regulated Market (as applicable), the information set out in Clause 10.1(a) shall also be made available by way of press release.

(c) When the financial statements and other information are made available to the Bondholders pursuant to Clause 10.1(a), the Issuer shall send copies of such financial statements and other information to the Agent.

(d) The Issuer shall promptly notify the Agent and the Bondholders upon becoming aware of the occurrence of a Change of Control Event and shall provide the Agent with such further information as the Agent may request (acting reasonably) following receipt of such notice. A notice regarding a Change of Control Event may be given in advance of the occurrence of a Change of Control Event, conditioned upon the occurrence of such Change of Control Event, if a definitive agreement is in place providing for a Change of Control Event.

(e) The Issuer shall promptly notify the Agent (with full particulars) upon becoming aware of the occurrence of any event or circumstance which constitutes an Event of Default, or any event or circumstance which would (with the expiry of a grace period, the giving of notice, the making of any determination or any combination of any of the foregoing) constitute an Event of Default, and shall provide the Agent with such further information as it may reasonably request in writing following receipt of such notice. Should the Agent not receive such information, the Agent is entitled to assume that no such event or circumstance exists or can be expected to occur, provided that the Agent does not have actual knowledge of such event or circumstance.

(f) The Issuer shall submit a duly executed Compliance Certificate to the Agent:

(i) in connection with that a Financial Report is made available;

(ii) the testing of a Distribution Test; and

(iii) at the Agent's request, within 20 days from such request.



(g) The Agent may assume that any information provided by the Issuer in the Compliance Certificate delivered pursuant to paragraph (f) above is correct, and the Agent shall not be responsible or liable for the adequacy, accuracy or completeness of such information.

(h) The Issuer is only obliged to inform the Agent according to this Clause 10.1 if informing the Agent would not conflict with any applicable laws or, when the Bonds are listed, the Issuer's registration contract with the Regulated Market or MTF (as applicable). If such a conflict would exist pursuant to the listing contract with the Regulated Market or MTF (as applicable) or otherwise, the Issuer shall however be obliged to either seek approval from the Regulated Market or MTF (as applicable) or undertake other reasonable measures, including entering into a non-disclosure agreement with the Agent, in order to be able to timely inform the Agent according to this Clause 10.1.

## **10.2 Information from the Agent**

(a) Subject to applicable laws, regulations and the restrictions of a non-disclosure agreement entered into by the Agent in accordance with Clause 10.2(b), the Agent is entitled to disclose to the Bondholders any event or circumstance directly or indirectly relating to the Issuer or the Bonds. Notwithstanding the foregoing, the Agent may if it considers it to be beneficial to the interests of the Bondholders delay disclosure or refrain from disclosing certain information other than in respect of an Event of Default that has occurred and is continuing.

(b) If a committee representing the Bondholders' interests under the Finance Documents has been appointed by the Bondholders in accordance with Clause 15 (*Decisions by Bondholders*), the members of such committee may agree with the Issuer not to disclose information received from the Issuer, provided that it, in the reasonable opinion of such members, is beneficial to the interests of the Bondholders. The Agent shall be a party to such agreement and receive the same information from the Issuer as the members of the committee.

## **10.3 Publication of Finance Documents**

(a) The latest version of these Terms and Conditions (including any documents amending these Terms and Conditions) shall be available on the websites of the Group and the Agent.

(b) The latest version of the Finance Documents shall be available to the Bondholders at the office of the Agent during the Agent's normal business hours.

## **11. Financial Undertakings**

### **11.1 Maintenance Covenant**

The Guarantor shall ensure that the Net Equity Ratio is at all times at least 18 per cent.

### **11.2 Testing of the Maintenance Covenant**

The Maintenance Covenant shall be calculated in accordance with the Accounting Principles applicable to the Guarantor and tested by reference to each of the Financial Reports on each Reference Date with respect to the Reference Period ending on such Reference Date. The first test date shall be 30 June 2024.

### **11.3 Distribution Test**

The Distribution Test is met if the Net Equity Ratio exceeds 25 per cent.

### **11.4 Testing of the Distribution Test**

The calculation of the Net Equity Ratio for the purpose of the Distribution Test shall be on the most recent Financial Report, adjusted for any Restricted Distributions made after the end of the period covered by such Financial Report but before the date of the Restricted Distribution and include the contemplated Restricted Distribution on a *pro forma* basis.

## **12. General Undertakings**

## 12.1 General

Each of the Issuer and the Guarantor undertakes to (and shall, where applicable, procure that each other Group Company will) comply with the undertakings set out in this Clause 12 for as long as any Bonds remain outstanding.

## 12.2 Restricted Distributions

- (a) The Guarantor shall not, and shall procure that none of its Subsidiaries will:
- (i) pay any dividend in respect of its shares (other than any Minority Dividend);
  - (ii) repurchase or redeem any of its own shares;
  - (iii) redeem or reduce its share capital or other restricted or unrestricted equity with repayment to its shareholders; or
  - (iv) make any other similar distribution or transfers of value to the Guarantor's, or its Subsidiaries', direct and indirect shareholders or the Affiliates of such direct and indirect shareholders,
- (paragraphs (i)-(iv) above are together and individually referred to as a "**Restricted Distribution**").
- (b) Notwithstanding the above, a Restricted Distribution may be made if made to the Guarantor or a direct or indirect Subsidiary of the Guarantor but, if made by a Subsidiary which is not directly or indirectly wholly-owned by the Guarantor, is made on a *pro rata* basis.
- (c) Notwithstanding the above, a Restricted Distribution may be made by the Guarantor, if at the time of the payment:
- (i) no Event of Default is outstanding or would occur when making the relevant Restricted Distribution; and
  - (ii) if:
    - (A) at the time of the payment, (1) the aggregate amount of all Restricted Distributions of the Issuer in any fiscal year (including the Restricted Distribution in question) does not exceed 10 per cent. of the cash and cash equivalents of the Group in accordance with applicable accounting principles (excluding the Multitude Bank) and (2) the Distribution Test is met (calculated on a *pro forma* basis including the relevant Restricted Distribution); or
    - (B) at the time of the payment, the aggregate amount of all Restricted Distributions of the Issuer in any fiscal year (including the Restricted Distribution in question) does not exceed 50 per cent. of the Group's consolidated net profit for the previous financial year.
- (d) Notwithstanding the above, a Restricted Distribution may be made by the relevant Group Company in relation to (i) any Common Equity Tier 1 capital, Additional Tier 1 capital or Tier 2 capital instruments including any other capital instruments that qualify under the CRR and/or (ii) any other hybrid capital which is treated as equity pursuant to the applicable accounting principles, in each case issued by Multitude Bank or any other Group Company.

## 12.3 Listing

- (a) The Issuer shall ensure that:
- (i) the initial Bonds are listed at the Frankfurt Stock Exchange Open Market within 60 days after the First Issue Date and with an intention to complete such listing within 30 days after the First Issue Date;

(ii) the Initial Bonds are listed at the Regulated Market Frankfurt Stock Exchange Prime Standard or a Regulated Market in the Nordics (being the corporate bond list of Nasdaq Stockholm or Oslo Børs) within six months after the First Issue Date (following listing on Frankfurt Stock Exchange Prime Standard or a Regulated Market in the Nordics (as applicable), the listing on Frankfurt Stock Exchange Open Market may be removed) or, if such admission to trading is not possible to obtain or maintain or if the Issuer determines in its reasonable discretion that a different Regulated Market should be preferred, admitted to trading on another Regulated Market within six months after the First Issue Date; and

(iii) any Subsequent Bonds are listed on the relevant Regulated Market within 60 days after the issuance of such Subsequent Bonds and with an intention to complete such listing within 30 days after the issuance of such Subsequent Bonds (unless the Subsequent Bonds are issued before the date falling six months after the First Issue Date in which case such Subsequent Bonds shall be listed at the Frankfurt Stock Exchange Open Market within 60 days after the relevant Issue Date and with an intention to complete such listing within 30 days after the relevant Issue Date, and listed at the Frankfurt Stock Exchange Prime Standard and a Regulated Market in the Nordics within six months after the First Issue Date (following listing on Frankfurt Stock Exchange Prime Standard or a Regulated Market in the Nordics (as applicable), the listing on Frankfurt Stock Exchange Open Market may be removed)).

(b) Once the Bonds are listed on Frankfurt Stock Exchange Open Market (unless listed on Frankfurt Stock Exchange Prime Standard or a Regulated Market in the Nordics), the Issuer shall ensure that the Bonds continue being listed on the Frankfurt Stock Exchange Open Market or the relevant Regulated Market (as applicable) for as long as any Bond is outstanding (however, taking into account the rules and regulations of the Frankfurt Stock Exchange Open Market or the relevant Regulated Market (as applicable) and the CSD (as amended from time to time) preventing trading in the Bonds in close connection to their redemption).

#### **12.4 Nature of Business**

The Guarantor shall procure that no substantial change is made to the general nature of the business carried on by the Group as of the First Issue Date if such substantial change would have a Material Adverse Effect.

#### **12.5 Disposal of Assets**

The Guarantor shall not, and shall procure that no Subsidiary, under a single transaction or several transactions sell or otherwise dispose of shares in any Subsidiary or of all or substantially all of its or that Subsidiary's assets, or operations to any Person not being the Guarantor or any of its wholly-owned Subsidiaries, unless the transaction (a) is carried out at fair market value and on arm's length terms and (b) does not have a Material Adverse Effect.

#### **12.6 Negative Pledge**

The Guarantor shall not, and shall procure that no Group Company, provide, prolong or renew any security over any of its/their assets (present or future) for the purpose of (a) in relation to the Subsidiaries of the Guarantor (other than the Issuer and Multitude Bank), to secure any Capital Market Indebtedness, and (b) in relation to the Guarantor, the Issuer and Multitude Bank, to secure any Financial Indebtedness, provided however that the Guarantor, the Issuer and Multitude Bank may provide, prolong and renew any Permitted Security.

#### **12.7 Dealings with Related Parties**

The Guarantor shall, and shall procure that its Subsidiaries, conduct all dealings with the direct and indirect shareholders of the Group Companies (excluding other Group Companies) and/or any Affiliates of such direct and indirect shareholders on arm's length terms.

#### **12.8 Compliance with Laws and Authorisations**

The Guarantor shall, and shall make sure that its Subsidiaries will, (a) comply in all material respects with all laws and regulations applicable from time to time and (b), obtain, maintain, and in all material respects comply with, the terms and conditions of any authorisation, approval, licence (including all relevant banking licenses) or other permit required for the business carried out by a Group Company.

### **13. Events of Default and Acceleration of the Bonds**

Each of the events or circumstances set out in this Clause 13 (other than Clause 13.11 (*Acceleration of the Bonds*)) is an Event of Default.

#### **13.1 Non-Payment**

The Issuer fails to pay an amount on the date it is due in accordance with the Finance Documents unless its failure to pay is caused by administrative or technical error and payment is made within five Business Days (or the following CSD Business Day if the fifth Business Day is not a CSD Business Day) of the due date.

#### **13.2 Other Obligations**

A party (other than the Agent) fails to comply with the Finance Documents, in any other way than as set out in Clauses 13.1 (*Non-Payment*), provided that the Agent has requested the Issuer in writing to remedy such failure and the Issuer has not remedied the failure within 25 Business Days from such request (if the failure or violation is not capable of being remedied, the Agent may declare the Bonds due and payable without such prior written request).

#### **13.3 Maintenance Test**

The Guarantor shall ensure that the Maintenance Test is met.

#### **13.4 Cross Payment Default and Cross-Acceleration**

Any Financial Indebtedness of a Material Group Company is:

- (a) not paid when due as extended by any originally applicable grace period (if there is one); or
- (b) declared to be due and payable prior to its specified maturity as a result of an event of default (however described),

provided that no Event of Default will occur under this Clause 13.4 if the aggregate amount of Financial Indebtedness or commitment for Financial Indebtedness falling within paragraphs (a) and (b) above is (i) in relation to the Issuer, less than EUR 3,000,000 (or its equivalent in any other currency or currencies) or (ii) in relation to any other Material Group Company, less than EUR 5,000,000 (or its equivalent in any other currency or currencies) and, in each case, provided that this Clause 13.4 does not apply to any Financial Indebtedness owed to a Group Company.

#### **13.5 Insolvency**

- (a) Any Material Group Company is unable or admits inability to pay its debts as they fall due or is declared to be unable to pay its debts under applicable law, suspends making payments on its debts generally or, by reason of actual or anticipated financial difficulties, commences negotiations with its creditors generally (except for Bondholders) with a view to rescheduling its Financial Indebtedness.
- (b) A moratorium is declared in respect of the Financial Indebtedness of any Material Group Company.

#### **13.6 Insolvency Proceedings**

Any corporate action, legal proceedings or other procedures are taken (other than (i) proceedings or petitions which are being disputed in good faith and are discharged, stayed or dismissed within 60 days of commencement or, if earlier, the date on which it is advertised and (ii), in relation to Subsidiaries, solvent liquidations) in relation to:

- (a) the suspension of payments, winding-up, dissolution, administration or reorganisation (by way of voluntary agreement, scheme of arrangement or otherwise) of any Group Company; and

(b) the appointment of a liquidator, receiver, administrator, administrative receiver, compulsory manager or other similar officer in respect of any Material Group Company or any of its assets or any analogous procedure or step is taken in any jurisdiction in respect of any Material Group Company.

### **13.7 Creditors' Process**

Any expropriation, attachment, sequestration, distress or execution or any analogous process in any jurisdiction affects any asset or assets of any Material Group Company having an aggregate value of an amount equal to or exceeding (i) in relation to the Issuer, EUR 3,000,000 (or its equivalent in any other currency or currencies) or (ii) in relation to any other Material Group Company, EUR 5,000,000 (or its equivalent in any other currency or currencies), and, in each case, is not discharged within 60 days.

### **13.8 Mergers and Demergers**

A decision is made that any Material Group Company shall be demerged or merged if such merger or demerger is likely to have a Material Adverse Effect, provided that a merger involving the Issuer, where the Issuer is not the surviving entity, shall always be considered an Event of Default and provided that the Issuer may not be demerged.

### **13.9 Impossibility or Illegality**

It is or becomes impossible or unlawful for the Issuer to fulfill or perform any of the provisions of the Finance Documents or if the obligations under the Finance Documents are not, or cease to be, legal, valid, binding and enforceable.

### **13.10 Continuation of the Business**

The Issuer or any other Material Group Company ceases to carry on its business if such discontinuation is likely to have a Material Adverse Effect.

### **13.11 Acceleration of the Bonds**

(a) Upon the occurrence of an Event of Default which is continuing, the Agent is entitled to, and shall an instruction given pursuant to Clause 13.11(d), on behalf of the Bondholders (i) by notice to the Issuer, declare all, but not some only, of the outstanding Bonds due and payable together with any other amounts payable under the Finance Documents, immediately or at such later date as the Agent determines, and (ii) exercise any or all of its rights, remedies, powers and discretions under the Finance Documents.

(b) The Agent may not accelerate the Bonds in accordance with Clause 13.11(a) by reference to a specific Event of Default if it is no longer continuing or if it has been decided, on a Bondholders Meeting or by way of a Written Procedure, to waive such Event of Default (temporarily or permanently).

(c) The Agent shall notify the Bondholders of an Event of Default within five Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing. The Agent shall, within 20 Business Days of the date on which the Agent received actual knowledge of that an Event of Default has occurred and is continuing, decide if the Bonds shall be so accelerated. If the Agent decides not to accelerate the Bonds, the Agent shall promptly seek instructions from the Bondholders in accordance with Clause 15 (Decisions by Bondholders). The Agent shall always be entitled to take the time necessary to consider whether an occurred event constitutes an Event of Default.

(d) If the Bondholders (in accordance with these Terms and Conditions) instruct the Agent to accelerate the Bonds, the Agent shall promptly declare the Bonds due and payable and take such actions as may, in the opinion of the Agent, be necessary or desirable to enforce the rights of the Bondholders under the Finance Documents, unless the relevant Event of Default is no longer continuing.

(e) If the right to accelerate the Bonds is based upon a decision of a court of law or a government authority, it is not necessary that the decision has become enforceable under law or that the period of appeal has expired in order for cause of acceleration to be deemed to exist.

(f) In the event of an acceleration of the Bonds in accordance with this Clause 13.11, the Issuer shall up to, but excluding, the First Call Date redeem all Bonds at an amount per Bond equal to the Call Option Amount set out in Clause 9.3(a)(ii) and thereafter, as applicable considering when the acceleration occurs, redeem all Bonds at an amount per Bond equal to the Call Option Amount for the relevant period.

#### **14. Distribution of Proceeds**

(a) All payments by the Issuer relating to the Bonds and the Finance Documents following an acceleration of the Bonds in accordance with Clause 13 (*Events of Default and Acceleration of the Bonds*) shall be distributed in the following order of priority:

(i) *first*, in or towards payment *pro rata* of:

(A) all unpaid fees, costs, expenses and indemnities payable by the Issuer to the Agent in accordance with the Agency Agreement (other than any indemnity given for liability against the Bondholders);

(B) other costs, expenses and indemnities relating to the acceleration of the Bonds, or the protection of the Bondholders' rights as may have been incurred by the Agent;

(C) any costs incurred by the Agent for external experts that have not been reimbursed by the Issuer in accordance with Clause 20.2(e); and

(D) any costs and expenses incurred by the Agent in relation to a Bondholders' Meeting or a Written Procedure that have not been reimbursed by the Issuer in accordance with Clause 15(n);

(ii) *secondly*, in or towards payment *pro rata* of accrued but unpaid Interest under the Bonds (Interest due on an earlier Interest Payment Date to be paid before any Interest due on a later Interest Payment Date);

(iii) *thirdly*, in or towards payment *pro rata* of any unpaid principal under the Bonds; and

(iv) *fourthly*, in or towards payment *pro rata* of any other costs or outstanding amounts unpaid under the Finance Documents.

Any excess funds after the application of proceeds in accordance with paragraphs (i) to (iv) above shall be paid to the Issuer.

(b) If a Bondholder or another party has paid any fees, costs, expenses or indemnities referred to in Clause 14(a)(i), such Bondholder or other party shall be entitled to reimbursement by way of a corresponding distribution in accordance with Clause 14(a)(i).

(c) Funds that the Agent receives (directly or indirectly) in connection with the acceleration of the Bonds constitute escrow funds (*Sw. redovisningsmedel*) and must be held on a separate interest-bearing account on behalf of the Bondholders and the other interested parties. The Agent shall arrange for payments of such funds in accordance with this Clause 14 as soon as reasonably practicable.

(d) If the Issuer or the Agent shall make any payment under this Clause 14, the Issuer or the Agent, as applicable, shall notify the Bondholders of any such payment at least 15 Business Days before the payment is made. Such notice shall specify the Record Date, the payment date and the amount to be paid. Notwithstanding the foregoing, for any Interest due but unpaid the Record Date specified in Clause 7(a) shall apply.

#### **15. Decisions by Bondholders**

Subject to applicable mandatory laws for the passing of Bondholder decisions of a Relevant Jurisdiction, as the case may be:

(a) A request by the Agent for a decision by the Bondholders on a matter relating to the Finance Documents shall (at the option of the Agent) be dealt with at a Bondholders' Meeting or by way of a Written Procedure.

(b) Any request from the Issuer or a Bondholder (or Bondholders) representing at least ten per cent. of the Adjusted Nominal Amount (such request may only be validly made by a Person who is a Bondholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Bondholders, be made by them jointly) for a decision by the Bondholders on a matter relating to the Finance Documents shall be directed to the Agent and dealt with at a Bondholders' Meeting or by way of a Written Procedure, as determined by the Agent. The Person requesting the decision may suggest the form for decision making, but if it is in the Agent's opinion more appropriate that a matter is dealt with at a Bondholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Bondholders' Meeting.

(c) The Agent may refrain from convening a Bondholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any Person in addition to the Bondholders and such Person has informed the Agent that an approval will not be given, or (ii) the suggested decision is not in accordance with applicable regulations.

(d) Only a Person who is, or a Person who has been provided with a power of attorney or other authorisation from a Person registered as a Bondholder pursuant to Clause 6 (*Right to Act on Behalf of a Bondholder*) or another evidence thereof acceptable to the Agent or a person proven to the Agent's satisfaction to be the beneficial owner of the Bonds:

(i) on the Record Date prior to the date of the Bondholders' Meeting, in respect of a Bondholders' Meeting, or

(ii) on the Record Date specified in the communication pursuant to Clause 17(c), in respect of a Written Procedure,

may exercise voting rights as a Bondholder at such Bondholders' Meeting or in such Written Procedure, provided that the relevant Bonds are included in the definition of Adjusted Nominal Amount.

(e) The following matters shall require the consent of Bondholders representing at least 66 2/3 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17(c):

(i) the issue of any Subsequent Bonds, if the total nominal amount of the Bonds exceeds, or if such issue would cause the Total Nominal Amount of the Bonds to at any time exceed, EUR 150,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Bonds are issued);

(ii) a change to the terms of any of Clause 2(a), and Clauses 2(f) to 2(h);

(iii) a reduction of the premium payable upon the redemption or repurchase of any Bond pursuant to Clause 9 (*Redemption and Repurchase of the Bonds*);

(iv) a change to the Interest Rate (other than as a result of an application of Clause 19 (*Replacement of Base Rate*)) or the Nominal Amount;

(v) waive a breach of or amend an undertaking set out in Clause 12 (*General Undertakings*);

(vi) a change to the terms for the distribution of proceeds set out in Clause 14 (*Distribution of Proceeds*);

(vii) a change to the terms dealing with the requirements for Bondholders' consent set out in this Clause 15;

(viii) a change of issuer, an extension of the tenor of the Bonds or any delay of the due date for payment of any principal or interest on the Bonds;

- (ix) a mandatory exchange of the Bonds for other securities; and
  - (x) early redemption of the Bonds, other than upon an acceleration of the Bonds pursuant to Clause 13 (*Events of Default and Acceleration of the Bonds*) or as otherwise permitted or required by these Terms and Conditions.
- (f) Any matter not covered by Clause 15(e) shall require the consent of Bondholders representing more than 50 per cent. of the Adjusted Nominal Amount for which Bondholders are voting at a Bondholders' Meeting or for which Bondholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause 17(c). This includes, but is not limited to, any amendment to, or waiver of, the terms of any Finance Document that does not require a higher majority (other than an amendment permitted pursuant to Clause 18(a)(i) or 18(a)(ii)) or an acceleration of the Bonds.
- (g) Neither a Bondholders' Meeting nor a Written Procedure can resolve that any overdue payment of any instalment shall be reduced unless there is a pro rata reduction of the principal that has not fallen due, but may resolve that accrued interest (whether overdue or not) shall be reduced without a corresponding reduction of principal.
- (h) Quorum at a Bondholders' Meeting or in respect of a Written Procedure only exists if a Bondholder (or Bondholders) representing at least 50 per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause 15(e), and otherwise 20 per cent. of the Adjusted Nominal Amount:
- (i) if at a Bondholders' Meeting, attend the meeting in person or by telephone conference (or appear through duly authorised representatives); or
  - (ii) if in respect of a Written Procedure, reply to the request.
- If a quorum exists for some, but not all, of the matters to be dealt with at a Bondholders' Meeting or by a Written Procedure, decisions may be taken in the matters for which a quorum exists.
- (i) If a quorum does not exist at a Bondholders' Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Bondholders' Meeting (in accordance with Clause 16(a)) or initiate a second Written Procedure (in accordance with Clause 17(a)), as the case may be, provided that the relevant proposal has not been withdrawn by the Person(s) who initiated the procedure for Bondholders' consent. The quorum requirement in Clause 15(g) shall not apply to such second Bondholders' Meeting or Written Procedure.
- (j) Any decision which extends or increases the obligations of the Issuer or the Agent, or limits, reduces or extinguishes the rights or benefits of the Issuer or the Agent, under the Finance Documents shall be subject to the Issuer's or the Agent's consent, as appropriate.
- (k) A Bondholder holding more than one Bond need not use all its votes or cast all the votes to which it is entitled in the same way and may in its discretion use or cast some of its votes only.
- (l) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Bondholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Bondholders that consent at the relevant Bondholders' Meeting or in a Written Procedure within the time period stipulated for the consideration to be payable or the time period for replies in the Written Procedure, as the case may be.
- (m) A matter decided at a duly convened and held Bondholders' Meeting or by way of Written Procedure is binding on all Bondholders, irrespective of them being present or represented at the Bondholders' Meeting or responding in the Written Procedure. The Bondholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Bondholders.
- (n) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Bondholders' Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.



(o) If a decision shall be taken by the Bondholders on a matter relating to the Finance Documents, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Bonds owned by Group Companies or (to the knowledge of the Issuer) Affiliates, irrespective of whether such Person is directly registered as owner of such Bonds. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Bond is owned by a Group Company or an Affiliate.

(p) Information about decisions taken at a Bondholders' Meeting or by way of a Written Procedure shall promptly be sent by notice to the Bondholders and published on the websites of the Issuer and the Agent, provided that a failure to do so shall not invalidate any decision made or voting result achieved. The minutes from the relevant Bondholders' Meeting or Written Procedure shall at the request of a Bondholder be sent to it by the Issuer or the Agent, as applicable.

## **16. Bondholders' Meeting**

(a) The Agent shall convene a Bondholders' Meeting by sending a notice thereof to each Bondholder no later than five CSD Business Days after receipt of a request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons).

(b) Should the Issuer want to replace the Agent, it may convene a Bondholders' Meeting in accordance with Clause 16(a) with a copy to the Agent. After a request from the Bondholders pursuant to Clause 20.4(c), the Issuer shall no later than five CSD Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Bondholders' Meeting in accordance with Clause 16(a).

(c) The notice pursuant to Clause 16(a) shall include (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Bondholders) and (iv) a form of power of attorney, (v) any applicable conditions precedent and conditions subsequent, (vi) the reasons for, and contents of, each proposal, (vii) if the proposal concerns an amendment to any Finance Document, the details of such proposed amendment, (viii) if a notification by the Bondholders is required in order to attend the Bondholders' Meeting, information regarding such requirement and (ix) information on where additional information (if any) will be published. Only matters that have been included in the notice may be resolved upon at the Bondholders' Meeting. Should prior notification by the Bondholders be required in order to attend the Bondholders' Meeting, such requirement shall be included in the notice.

(d) The Bondholders' Meeting shall be held no earlier than ten Business Days and no later than 20 Business Days from the notice.

(e) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Bondholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Bondholders to vote without attending the meeting in person.

## **17. Written Procedure**

(a) The Agent shall instigate a Written Procedure (which may be conducted electronically) no later than five CSD Business Days after receipt of a valid request from the Issuer or the Bondholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each Bondholder through the CSD.

(b) Should the Issuer want to replace the Agent, it may send a communication in accordance with Clause 17(a) to each Bondholder with a copy to the Agent.

(c) A communication pursuant to Clause 17(a) shall include (i) each request for a decision by the Bondholders, (ii) a description of the reasons for each request, (iii) a specification of the CSD Business Day on which a Person must be a Bondholder (whether registered or a beneficial owner with proof of ownership in accordance with clause 6 (*Right to Act on Behalf of a Bondholder*)) in order to be entitled to exercise voting rights, (iv) instructions and directions on where to receive a form for replying to the request (such form to include an option to vote yes or no for each request) as well as a form of power of attorney, (v) any applicable conditions precedent and conditions subsequent, (vi) if a proposal concerns an amendment to any Finance Document, the details of such proposed amendment, (vii) if the voting is to be made electronically, the instructions for such

voting, (viii) information on where additional information (if any) will be published and (ix) the stipulated time period within which the Bondholder must reply to the request (such time period to last at least ten Business Days from the communication pursuant to Clause 17(a)). If the voting shall be made electronically, instructions for such voting shall be included in the communication.

(d) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clauses 15(e) and 15(f) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause 15(e) or 15(f), as the case may be, even if the time period for replies in the Written Procedure has not yet expired.

(e) The Agent may, during the Written Procedure, provide information to the Issuer by way of updates whether or not quorum requirements have been met and about the eligible votes received by the Agent, including the portion consenting or not consenting to the proposal(s) or refraining from voting (as applicable).

## **18. Amendments and Waivers**

(a) The Issuer and the Agent (acting on behalf of the Bondholders) may agree to amend the Finance Documents or waive any provision in a Finance Document, provided that:

(i) such amendment or waiver is not detrimental to the interest of the Bondholders, or is made solely for the purpose of rectifying obvious errors and mistakes;

(ii) such amendment or waiver is required by applicable law, a court ruling or a decision by a relevant authority; or

(iii) such amendment or waiver has been duly approved by the Bondholders in accordance with Clause 15 (*Decisions by Bondholders*).

(b) The consent of the Bondholders is not necessary to approve the particular form of any amendment to the Finance Documents. It is sufficient if such consent approves the substance of the amendment or waiver.

(c) The Agent shall promptly notify the Bondholders of any amendments or waivers made in accordance with Clause 18(a), setting out the date from which the amendment or waiver will be effective, and ensure that any amendments to the Finance Documents are published in the manner stipulated in Clause 10.3 (*Publication of Finance Documents*). The Issuer shall ensure that any amendments to the Finance Documents are duly registered with the CSD and each other relevant organisation or authority, to the extent such registration is possible with the rules of the relevant CSD.

(d) An amendment to the Finance Documents shall take effect on the date determined by the Bondholders Meeting, in the Written Procedure or by the Agent, as the case may be.

## **19. Replacement of Base Rate**

### **19.1 General**

(a) Any determination or election to be made by an Independent Adviser, the Issuer or the Bondholders in accordance with the provisions of this Clause 19 shall at all times be made by such Independent Adviser, the Issuer or the Bondholders (as applicable) acting in good faith, in a commercially reasonable manner and by reference to relevant market data.

(b) If a Base Rate Event has occurred, this Clause 19 shall take precedent over the fallbacks set out in paragraph (b) to (d) of the definition of EURIBOR.

### **19.2 Definitions**

In this Clause 19:

**"Adjustment Spread"** means a spread (which may be positive, negative or zero) or a formula or methodology for calculating a spread, or a combination thereof to be applied to a Successor Base Rate and that is:

- (a) formally recommended by any Relevant Nominating Body in relation to the replacement of the Base Rate; or
- (b) if (a) is not applicable, the adjustment spread that the Independent Adviser determines is reasonable to use in order to eliminate, to the extent possible, any transfer of economic value from one party to another as a result of a replacement of the Base Rate and is customarily applied in comparable debt capital market transactions.

**"Base Rate Amendments"** has the meaning set forth in Clause 19.3(d).

**"Base Rate Event"** means one or several of the following circumstances:

- (a) the Base Rate (for the relevant Interest Period) has ceased to exist or ceased to be published for at least five consecutive Business Days as a result of the Base Rate (for the relevant Interest Period) ceasing to be calculated or administered;
- (b) a public statement or publication of information by (i) the supervisor of the Base Rate Administrator or (ii) the Base Rate Administrator that the Base Rate Administrator ceases to provide the applicable Base Rate (for the relevant Interest Period) permanently or indefinitely and, at the time of the statement or publication, no successor administrator has been appointed or is expected to be appointed to continue to provide the Base Rate;
- (c) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator that the Base Rate (for the relevant Interest Period) is no longer representative of the underlying market which the Base Rate is intended to represent and the representativeness of the Base Rate will not be restored in the opinion of the supervisor of the Base Rate Administrator;
- (d) a public statement or publication of information in each case by the supervisor of the Base Rate Administrator with the consequence that it is unlawful for the Issuer or the Issuing Agent to calculate any payments due to be made to any Bondholder using the applicable Base Rate (for the relevant Interest Period) or it has otherwise become prohibited to use the applicable Base Rate (for the relevant Interest Period);
- (e) a public statement or publication of information in each case by the bankruptcy trustee of the Base Rate Administrator or by the trustee under the bank recovery and resolution framework, or in respect of EURIBOR, from the equivalent entity with insolvency or resolution powers over the Base Rate Administrator, containing the information referred to in paragraph (b) above; or
- (f) a Base Rate Event Announcement has been made and the announced Base Rate Event as set out in paragraphs (b) to (e) above will occur within six months.

**"Base Rate Event Announcement"** means a public statement or published information as set out in paragraphs (b) to (e) of the definition of Base Rate Event that any event or circumstance specified therein will occur.

**"Independent Adviser"** means an independent financial institution or adviser of repute in the debt capital markets where the Base Rate is commonly used.

**"Relevant Nominating Body"** means, subject to applicable law, firstly any relevant supervisory authority, secondly any applicable central bank, or any working group or committee of any of them, or thirdly the Financial Stability Board or any part thereof.

**"Successor Base Rate"** means:

- (a) a screen or benchmark rate, including the methodology for calculating term structure and calculation methods in respect of debt instruments with similar interest rate terms as the Bonds, which is formally recommended as a successor to or replacement of the Base Rate by a Relevant Nominating Body; or

(b) if there is no such rate as described in paragraph (a) above, such other rate as the Independent Adviser determines is most comparable to the Base Rate.

For the avoidance of doubt, in the event that a Successor Base Rate ceases to exist, this definition shall apply mutatis mutandis to such new Successor Base Rate.

### **19.3 Determination of Base Rate, Adjustment Spread and Base Rate Amendments**

(a) Without prejudice to paragraph (b) below, upon a Base Rate Event Announcement, the Issuer may, if it is possible to determine a Successor Base Rate at such point of time, at any time before the occurrence of the relevant Base Rate Event at the Issuer's expense appoint an Independent Adviser to initiate the procedure to determine a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating and finally deciding the applicable Base Rate. For the avoidance of doubt, the Issuer will not be obliged to take any such actions until obliged to do so pursuant to paragraph (b) below.

(b) If a Base Rate Event has occurred, the Issuer shall use all commercially reasonable endeavours to, as soon as reasonably practicable and at the Issuer's expense, appoint an Independent Adviser to initiate the procedure to determine, as soon as commercially reasonable, a Successor Base Rate, the Adjustment Spread and any Base Rate Amendments for purposes of determining, calculating, and finally deciding the applicable Base Rate.

(c) If the Issuer fails to appoint an Independent Adviser in accordance with paragraph (b) above, the Bondholders shall, if so decided at a Bondholders' Meeting or by way of Written Procedure, be entitled to appoint an Independent Adviser (at the Issuer's expense) for the purposes set forth in paragraph (b) above. If an Event of Default has occurred and is continuing, or if the Issuer fails to carry out any other actions set forth in Clauses 19.3 to 19.6, the Agent (acting on the instructions of the Bondholders) may to the extent necessary effectuate any Base Rate Amendments without the Issuer's cooperation.

(d) The Independent Adviser shall also initiate the procedure to determine any technical, administrative or operational changes required to ensure the proper operation of a Successor Base Rate or to reflect the adoption of such Successor Base Rate in a manner substantially consistent with market practice ("**Base Rate Amendments**").

(e) Provided that a Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments have been finally decided no later than prior to the relevant Quotation Day in relation to the next succeeding Interest Period, they shall become effective with effect from and including the commencement of the next succeeding Interest Period, always subject to any technical limitations of the CSD and any calculations methods applicable to such Successor Base Rate.

### **19.4 Interim Measures**

(a) If a Base Rate Event set out in any of the paragraphs (a) to (e) of the Base Rate Event definition has occurred but no Successor Base Rate and Adjustment Spread have been finally decided prior to the relevant Quotation Day in relation to the next succeeding Interest Period or if such Successor Base Rate and Adjustment Spread have been finally decided but due to technical limitations of the CSD, cannot be applied in relation to the relevant Quotation Day, the Interest Rate applicable to the next succeeding Interest Period shall be:

(i) if the previous Base Rate is available, determined pursuant to the terms that would apply to the determination of the Base Rate as if no Base Rate Event had occurred; or

(ii) if the previous Base Rate is no longer available or cannot be used in accordance with applicable law or regulation, equal to the Interest Rate determined for the immediately preceding Interest Period.

(b) For the avoidance of doubt, paragraph (a) above shall apply only to the relevant next succeeding Interest Period and any subsequent Interest Periods are subject to the subsequent operation of, and to adjustments as provided in, this Clause 19. This will however not limit the application of paragraph (a) above for any subsequent Interest Periods, should all relevant actions provided in this Clause 19 have been taken, but without success.

### **19.5 Notices etc.**

Prior to the Successor Base Rate, the applicable Adjustment Spread and any Base Rate Amendments become effective the Issuer shall promptly, following the final decision by the Independent Adviser of any Successor Base Rate, Adjustment Spread and any Base Rate Amendments, give notice thereof to the Agent, the Issuing Agent and the Bondholders in accordance with Clause 26 (*Notices and Press Releases*) and the CSD. The notice shall also include information about the effective date of the amendments. If the Bonds are admitted to trading on a stock exchange, the Issuer shall also give notice of the amendments to the relevant stock exchange.

## **19.6 Variation Upon Replacement of Base Rate**

(a) No later than giving the Agent notice pursuant to Clause 19.5, the Issuer shall deliver to the Agent a certificate signed by the Independent Adviser and the CEO, CFO or any other duly authorised signatory of the Issuer (subject to Clause 19.3(c)) confirming the relevant Successor Base Rate, the Adjustment Spread and any Base Rate Amendments, in each case as determined and decided in accordance with the provisions of this Clause 19. The Successor Base Rate the Adjustment Spread and any Base Rate Amendments (as applicable) specified in such certificate will, in the absence of manifest error or bad faith in any decision, be binding on the Issuer, the Agent, the Issuing Agent and the Bondholders.

(b) Subject to receipt by the Agent of the certificate referred to in paragraph (a) above, the Issuer and the Agent shall, at the request and expense of the Issuer, without the requirement for any consent or approval of the Bondholders, without undue delay effect such amendments to the Finance Documents as may be required by the Issuer in order to give effect to this Clause 19.

(c) The Agent and the Issuing Agent shall always be entitled to consult with external experts prior to amendments are affected pursuant to this Clause 19. Neither the Agent nor the Issuing Agent shall be obliged to concur if in the reasonable opinion of the Agent or the Issuing Agent (as applicable), doing so would impose more onerous obligations upon it or expose it to any additional duties, responsibilities or liabilities or reduce or amend the protective provisions afforded to the Agent or the Issuing Agent in the Finance Documents.

## **19.7 Limitation of Liability for the Independent Adviser**

Any Independent Adviser appointed pursuant to Clause 19.3 shall not be liable whatsoever for damage or loss caused by any determination, action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its gross negligence or wilful misconduct. The Independent Adviser shall never be responsible for indirect or consequential loss.

## **20. Appointment and Replacement of the Agent**

### **20.1 Appointment of Agent**

(a) By subscribing for Bonds, each initial Bondholder appoints the Agent to act as its agent and representative in all matters relating to the Bonds and the Finance Documents, and authorises each of the Agent to act on its behalf (without first having to obtain its consent, unless such consent is specifically required by these Terms and Conditions) in any legal or arbitration proceedings relating to the Bonds held by such Bondholder.

(b) By acquiring Bonds, each subsequent Bondholder confirms the appointment and authorisation for the Agent to act on its behalf, as set forth in paragraph (a) above.

(c) Each Bondholder shall immediately upon request provide the Agent with any such documents, including a written power of attorney (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents. The Agent is under no obligation to represent a Bondholder which does not comply with such request.

(d) The Issuer shall promptly upon request provide the Agent with any documents and other assistance (in form and substance satisfactory to the Agent), that the Agent deems necessary for the purpose of exercising its rights and/or carrying out its duties under the Finance Documents.

(e) The Agent is entitled to fees for its work and to be indemnified for costs, losses and liabilities on the terms set out in the Finance Documents and the Agent's obligations as Agent under the Finance Documents are conditioned upon the due payment of such fees and indemnifications.

(f) The Agent may act as agent or trustee or representative for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

## **20.2 Duties of the Agent**

(a) The Agent shall represent the Bondholders subject to and in accordance with the Finance Documents. The Agent is not responsible for the content, due execution, legal validity, perfection or enforceability of the Finance Documents.

(b) When acting in accordance with the Finance Documents, the Agent is always acting with binding effect on behalf of the Bondholders. The Agent shall carry out its duties under the Finance Documents in a reasonable, proficient and professional manner, with reasonable care and skill.

(c) The Agent is entitled to delegate its duties to other professional parties, but the Agent shall remain liable for the actions of such parties under the Finance Documents.

(d) The Agent shall treat all Bondholders equally and, when acting pursuant to the Finance Documents, act with regard only to the interests of the Bondholders and shall not be required to have regard to the interests or to act upon or comply with any direction or request of any other Person, other than as explicitly stated in the Finance Documents.

(e) The Agent is entitled to engage external experts when carrying out its duties under the Finance Documents. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the occurrence of an Event of Default, or for the purpose of investigating or considering (i) an event or circumstances which the Agent reasonably believes is or may lead to an Event of Default, (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Bondholders under the Finance Documents or (iii) as otherwise agreed between the Agent and the Issuer. Any compensation for damages or other recoveries received by the Agent from external experts engaged by it for the purpose of carrying out its duties under the Finance Documents shall be distributed in accordance with Clause 14 (*Distribution of Proceeds*).

(f) The Agent shall, as applicable, enter into agreements with the CSD, and comply with such agreements and the CSD Regulations applicable to the Agent, as may be necessary in order for the Agent to carry out its duties under the Finance Documents.

(g) Notwithstanding any other provision of the Finance Documents to the contrary, the Agent is not obliged to do or omit to do anything if it would or might in its reasonable opinion constitute a breach of any law or regulation.

(h) If in the Agent's reasonable opinion the cost, loss or liability which it may incur (including its reasonable fees to the Agent) in complying with instructions of the Bondholders, or taking any action at its own initiative, will not be covered by the Issuer, or the Bondholders (as applicable), the Agent may refrain from acting in accordance with such instructions, or taking such action, until it has received such funding or indemnities (or adequate Security has been provided therefore) as it may reasonably require.

(i) The Agent shall give a notice to the Bondholders (i) before it ceases to perform its obligations under the Finance Documents by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or (ii) if it refrains from acting for any reason described in Clause 20.2(h).

(j) The Agent's duties under the Finance Documents are solely mechanical and administrative in nature and the Agent only acts in accordance with the Finance Documents and upon instructions from the Bondholders, unless otherwise set out in the Finance Documents. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Bondholders or any other Person and no opinion or advice by the Agent will be binding on the Bondholders.

(k) The Agent is not obligated to assess or monitor the financial condition of the Issuer or compliance by the Issuer of the terms of the Finance Documents unless to the extent expressly set out in the Finance Documents, or to take any steps to ascertain whether any Event of Default (or any event that may lead to an Event of Default) has occurred. Until it has actual knowledge to the contrary, the Agent is entitled to assume that no Event of Default (or any event that may lead to an Event of Default) has occurred.

(l) Unless it has actual knowledge to the contrary, the Agent may assume that all information provided by or on behalf of the Issuer (including by its advisors) is correct, true and complete in all aspects.

(m) The Agent may instruct the CSD to split the Capital Notes to a lower nominal amount in order to facilitate partial redemptions, restructuring of the Bonds or other situations.

### **20.3 Limited Liability for the Agent**

(a) The Agent will not be liable to the Bondholders for damage or loss caused by any action taken or omitted by it under or in connection with any Finance Document, unless directly caused by its negligence or wilful misconduct or unless otherwise provided for in the Act on Bondholders' Agent. The Agent shall not be responsible for indirect loss.

(b) The Agent shall not be considered to have acted negligently if it has acted in accordance with advice from or opinions of reputable external experts addressed to the Agent or if the Agent has acted with reasonable care in a situation when the Agent considers that it is detrimental to the interests of the Bondholders to delay the action in order to first obtain instructions from the Bondholders.

(c) The Agent shall not be liable for any delay (or any related consequences) in crediting an account with an amount required pursuant to the Finance Documents to be paid by the Agent to the Bondholders, provided that the Agent has taken all necessary steps as soon as reasonably practicable to comply with the regulations or operating procedures of any recognised clearing or settlement system used by the Agent for that purpose.

(d) The Agent shall have no liability to the Bondholders for damage caused by the Agent acting in accordance with instructions of the Bondholders given in accordance with the Finance Documents.

(e) Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Finance Documents shall not be subject to set-off against the obligations of the Issuer to the Bondholders under the Finance Documents.

(f) The Agent is not liable for information provided to the Bondholders by or on behalf of the Issuer or by any other Person.

### **20.4 Replacement of the Agent**

(a) Subject to paragraph (f) below, the Agent may resign by giving notice to the Issuer and the Bondholders, in which case the Bondholders shall appoint a successor Agent at a Bondholders' Meeting convened by the retiring Agent or by way of Written Procedure initiated by the retiring Agent.

(b) Subject to paragraph (f) below, if the Agent is Insolvent, the Agent shall be deemed to resign as Agent and the Issuer shall within ten Business Days appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

(c) A Bondholder (or Bondholders) representing at least ten per cent. of the Adjusted Nominal Amount may, by notice to the Issuer (such notice may only be validly given by a Person who is a Bondholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Bondholders, be given by them jointly), require that a Bondholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Bondholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Bondholders that the Agent be dismissed and a new Agent appointed.

(d) If the Bondholders have not appointed a successor Agent within 90 days after (i) the earlier of the notice of resignation was given or the resignation otherwise took place or (ii) the Agent was dismissed through a decision by the Bondholders, the Issuer shall appoint a successor Agent which shall be an independent financial institution or other reputable company which regularly acts as agent under debt issuances.

(e) The retiring Agent shall, at its own cost, make available to the successor Agent such documents and records and provide such assistance as the successor Agent may reasonably request for the purposes of performing its functions as Agent under the Finance Documents.

(f) The Agent's resignation or dismissal shall only take effect upon the appointment of a successor Agent and acceptance by such successor Agent of such appointment and the execution of all necessary documentation to effectively substitute the retiring Agent.

(g) Upon the appointment of a successor, the retiring Agent shall be discharged from any further obligation in respect of the Finance Documents but shall remain entitled to the benefit of the Finance Documents and remain liable under the Finance Documents in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Bondholders shall have the same rights and obligations amongst themselves under the Finance Documents as they would have had if such successor had been the original Agent.

(h) In the event that there is a change of the Agent in accordance with this Clause 20.4, the Issuer shall execute such documents and take such actions as the new Agent may reasonably require for the purpose of vesting in such new Agent the rights, powers and obligation of the Agent and releasing the retiring Agent from its further obligations under the Finance Documents. Unless the Issuer and the new Agent agrees otherwise, the new Agent shall be entitled to the same fees and the same indemnities as the retiring Agent.

## **21. Appointment and Replacement of the CSD**

(a) The Issuer has appointed the CSD to manage certain tasks under these Terms and Conditions and in accordance with the CSD regulations and the other regulations applicable to the Bonds.

(b) The CSD may retire from its assignment or be dismissed by the Issuer provided that the Issuer has effectively appointed a replacement CSD that accedes as CSD at the same time as the old CSD retires or is dismissed and provided also that the replacement does not have a negative effect on any Bondholder. The replacing CSD must be authorized to professionally conduct clearing operations pursuant to the Central Securities Depository Regulation (Regulation (EU) No 909/2014) and be authorized as a central securities depository in accordance with the Securities Depository Act.

## **22. Appointment and Replacement of the Issuing Agent**

(a) The Issuer appoints the Issuing Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to and/or issued by the CSD and relating to the Bonds.

(b) The Issuing Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Issuing Agent at the same time as the old Issuing Agent retires or is dismissed. If the Issuing Agent is Insolvent, the Issuer shall immediately appoint a new Issuing Agent, which shall replace the old Issuing Agent as issuing agent in accordance with these Terms and Conditions.

## **23. Appointment and Replacement of the Paying Agent**

(a) The Issuer appoints the Paying Agent to manage certain specified tasks under these Terms and Conditions and in accordance with the legislation, rules and regulations applicable to the Bonds.

(b) The Paying Agent may retire from its assignment or be dismissed by the Issuer, provided that the Issuer has approved that a commercial bank or securities institution approved by the CSD accedes as new Paying Agent at the same time as the old Paying Agent retires or is dismissed. If the Paying Agent is Insolvent, the Issuer shall



immediately appoint a new Paying Agent, which shall replace the old Paying Agent as issuing agent in accordance with these Terms and Conditions.

## **24. No Direct Actions by Bondholders**

(a) A Bondholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Finance Documents, or to initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation or bankruptcy (or its equivalent in any other jurisdiction, following relocation in Switzerland, including applying for opening of composition procedures (*Nachlassverfahren*)) of the Issuer in relation to any of the liabilities of the Issuer under the Finance Documents.

(b) Paragraph (a) above shall not apply if the Agent has been instructed by the Bondholders in accordance with the Finance Documents to take certain actions but fails for any reason to take, or is unable to take (for any reason other than a failure by a Bondholder to provide documents in accordance with Clause 20.1(c)), such actions within a reasonable period of time and such failure or inability is continuing. However, if the failure to take certain actions is caused by the non-payment by the Issuer of any fee or indemnity due to the Agent under the Finance Documents or by any reason described in Clause 20.2(h), such failure must continue for at least 40 Business Days after notice pursuant to Clause 20.2(i) before a Bondholder may take any action referred to in paragraph (a) above.

(c) The provisions of Clause 24(a) shall not in any way limit an individual Bondholder's right to claim and enforce payments which are due to it under Clause 9.4 (*Mandatory Repurchase Due to a Change of Control Event (Put Option)*) or other payments which are due by the Issuer to some but not all Bondholders.

## **25. Prescription**

(a) The right to receive repayment of the principal of the Bonds shall be prescribed and become void ten years from the relevant Redemption Date. The right to receive payment of interest (excluding any capitalised interest) shall be prescribed and become void three years from the relevant due date for payment. The Issuer is entitled to any funds set aside for payments in respect of which the Bondholders' right to receive payment has been prescribed and has become void.

(b) If a limitation period is duly interrupted in accordance with the Swedish Act on Limitations (Sw. *preskriptionslag (1981:130)*), a new limitation period of ten years with respect to the right to receive repayment of the principal of the Bonds, and of three years with respect to receive payment of interest (excluding capitalised interest) will commence, in both cases calculated from the date of interruption of the limitation period, as such date is determined pursuant to the provisions of the Swedish Act on Limitations.

## **26. Notices and Press Releases**

### **26.1 Notices**

Written notices to the Bondholders made by the Agent will be sent to the Bondholders via the CSD with a copy to the Issuer. Any such notice or communication will be deemed to be given or made via the CSD, when sent from the CSD.

(a) The Issuer's written notifications to the Bondholders will be sent to the Bondholders via the Agent or through the CSD with a copy to the Agent and each relevant exchange (if the Bonds are listed).

(b) Notwithstanding paragraph (a) above and provided that such written notification does not require the Bondholders to take any action under the Finance Documents, the Issuer's written notifications to the Bondholders may be published by the Agent on a relevant information platform only.

(c) Unless otherwise specifically provided, all notices or other communications under or in connection with these Terms and Conditions between the Agent and the Issuer will be given or made in writing, by letter, e-mail or fax. Any such notice or communication will be deemed to be given or made as follows:

(i) in case of courier or personal delivery, when it has been left at the address specified in this Clause 26.1;

- (ii) in case of letter, three Business Days after being deposited postage prepaid in an envelope when it has been left at the address specified in this Clause 26.1;
  - (iii) in case of email, on the day of dispatch (unless a delivery failure message was received by the sender), save that any notice or other communication sent by email that is sent after 5.00 pm in the place of receipt shall be deemed only to become effective on the following day; or
  - (iv) if by publication on a relevant information platform, when published.
- (d) The Issuer and the Agent shall each ensure that the other party is kept informed of changes in postal address, e-mail address and telephone and contact persons.
- (e) When determining deadlines set out in these Terms and Conditions, the following will apply (unless otherwise stated):
- (i) a cover letter, which shall include:
    - (A) all information needed in order for Bondholders to exercise their rights under the Finance Documents;
    - (B) details of where Bondholders can retrieve additional information;
    - (C) contact details to the Agent; and
    - (D) an instruction to contact the Agent should any Bondholder wish to receive the additional information by regular mail; and
  - (ii) copies of any document needed in order for Bondholder to exercise their rights under the Finance Documents.
- (f) Failure to send a notice or other communication to a Bondholder or any defect in it shall not affect its sufficiency with respect to other Bondholders.

## 26.2 Press Releases

- (a) Any notice that the Issuer or the Agent shall send to the Bondholders pursuant to Clauses 9.3 (*Voluntary Total Redemption (Call Option)*), 9.4 (*Early Redemption Due to a Withholding Tax Event*), 10.1(d), 13.11(c), 15(p), 16(a), 17(a) and 18(c) shall also be published by way of press release by the Issuer or the Agent, as applicable.
- (b) In addition to Clause 26.2(a), if any information relating to the Bonds or the Issuer contained in a notice the Agent may send to the Bondholders under these Terms and Conditions has not already been made public by way of a press release, the Agent shall before it sends such information to the Bondholders give the Issuer the opportunity to issue a press release containing such information. If the Issuer does not promptly issue a press release and the Agent considers it necessary to issue a press release containing such information before it can lawfully send a notice containing such information to the Bondholders, the Agent shall be entitled to issue such press release.

## 27. Force Majeure and Limitation of Liability

- (a) Neither the Agent, the Paying Agent nor the Issuing Agent shall be held responsible for any damage arising out of any legal enactment, or any measure taken by a public authority, or war, strike, lockout, boycott, blockade or any other similar circumstance (a "**Force Majeure Event**"). The reservation in respect of strikes, lockouts, boycotts and blockades applies even if the Agent, the Paying Agent or the Issuing Agent itself takes such measures, or is subject to such measures.

(b) The Paying Agent or the Issuing Agent shall have no liability to the Bondholders if it has observed reasonable care. The Paying Agent or the Issuing Agent shall never be responsible for indirect damage with exception of gross negligence and wilful misconduct.

(c) Should a Force Majeure Event arise which prevents the Agent, the Paying Agent or the Issuing Agent from taking any action required to comply with these Terms and Conditions, such action may be postponed until the obstacle has been removed.

(d) The provisions in this Clause 27 apply unless they are inconsistent with the provisions of the applicable securities registration legislation which provisions shall take precedence.

## **28. Governing Law and Jurisdiction**

(a) These Terms and Conditions, and any non-contractual obligations arising out of or in connection therewith, shall be governed by and construed in accordance with the laws of Sweden.

(b) The Issuer submits to the non-exclusive jurisdiction of the District Court of Stockholm (Sw. *Stockholms tingsrätt*).

## CERTAIN INFORMATION ON THE BONDS

*Capitalized terms used have the same meaning as defined in the Terms and Conditions unless otherwise defined in this Prospectus.*

Type of the Issue:	Private placement of Bonds, subsequent listing on the corporate bond list of Nasdaq Stockholm.
Ranking of the Bonds:	<p>The Bonds constitute direct, unconditional and unsecured obligations of the Issuer ranking <i>pari passu</i> among themselves and at least <i>pari passu</i> with all unsecured obligations of the Issuer, save for obligations which are preferred by mandatory provisions of law.</p> <p>The Issuer may on one or more occasions issue additional Bonds amounting to a maximum EUR 50,000,000 in aggregate (together with the Initial Bonds and the Subsequent Bonds, in total EUR 150,000,000).</p>
Form of the Bonds, depository and settlement system:	Securities in dematerialised, book-entry form issued in the book-entry securities system maintained by Euronext VPS, the Norwegian Central Securities Depository Verdipapirsentralen ASA Norwegian reg. no. 985 140 421, Fred Olsens gate 1, NO-0152 Oslo, Norway.
ISIN:	NO0013259747
Issue price:	Issue price of 97.60 and 100 per cent. of the Nominal Amount for Bonds issued on the First Issue Date and on the Subsequent Issue Date, respectively. Any additional Bonds may be issued below, above or at par.
Minimum subscription amount:	EUR 100,000.
Denomination of a book-entry unit:	EUR 1,000.
Number of the Bonds:	<p>The number of the Bonds issued on the First Issue Date was 80,000.</p> <p>The number of the Bonds issued on the Subsequent Issue Date was 20,000.</p> <p>The number of the Bonds currently outstanding is 100,000.</p>
Interest on the Bonds:	EURIBOR plus the Floating Rate Margin, payable on 27 September, 27 December, 27 March and 27 June each year. Should EURIBOR be less than zero (0), EURIBOR shall be deemed to be zero (0), subject to a replacement of the base rate pursuant to Clause 19 ( <i>Replacement of Base Rate</i> ) of the Terms and Conditions.
EURIBOR:	Applicable percentage rate <i>per annum</i> displayed on Refinitiv screen EURIBOR01 (or through another system or website replacing it) as of or around 11.00 a.m. (Brussels time) on the Quotation Day for the offering of deposits in Euro and for a period comparable to the relevant Interest Period.
Margin:	6.75 per cent. <i>per annum</i> .
Yield:	For the Initial Bonds issued on the the First Issue Date and for the Subsequent Bonds issued on the Subsequent Issue Date, yield <i>per annum</i> of the Bonds is calculated as follows:

$$\frac{(1.00 - \text{issue price})}{\text{Tenor}} + \text{EURIBOR (three months)} + \text{margin} = \text{yield}$$

As at the First Issue Date, yield *per annum* of the Initial Bonds was therefore 11.045 per cent. as calculated below:

$$\frac{(1.00 - 97.60\%)}{4} + 3.695\% + 6.75\% = 11.045\%$$

As at the Subsequent Issue Date, yield *per annum* of the Subsequent Bonds was therefore 10.102 per cent. as calculated below:

$$\frac{(1.00 - 100\%)}{3.53} + 3.352\% + 6.75\% = 10.102\%$$

At any time after the First Issue Date or the Subsequent Issue Date, it should be noted that the impact of the discount included in the issue price of 97.60 should not be accounted for in calculating the yield *per annum*, and that the value of EURIBOR (three months) may differ from the above.

First Issue Date:	27 June 2024.
Final Maturity Date:	27 June 2028.
Agent:	Nordic Trustee & Agency AB (publ), reg. no. 556882-1879, P.O. Box 7329, SE-103 90 Stockholm, Sweden.
Applicable law:	Swedish law.
Rating:	<p>The Guarantor has been rated by Fitch Ratings Inc with a rating B+ (positive).</p> <p>The Bonds have been assigned a credit rating of B+/RR4 by Fitch Ratings Inc.</p> <p>Pursuant to Fitch Ratings Inc, B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.</p>
Interests of the participants of the Initial Bond Offering:	<p>Interests of the Joint Bookrunners: Business interest normal in the financial markets.</p> <p>Interests of the Issuing Agent: Business interest normal in the financial markets.</p> <p>Interests of the Paying Agent: Business interest normal in the financial markets.</p> <p>Interests of the Agent: Business interest normal in the financial markets.</p>
Estimated total expenses related to the Initial Bond Offering, the Subsequent Bond Issue and the Listing:	The estimated total expenses incurred in connection with the Initial Bond Offering, the Subsequent Bond Issue and the Listing amount in aggregate to approximately EUR 1.4 million.

Estimated net proceeds related to the Offering and the Subsequent Bond Issue:	The estimated net amount of proceeds of the Initial Bond Offering amount to approximately EUR 78.6 million. The Subsequent Bond Issue did not produce any net proceeds to the Issuer as the Issuer subscribed the Subsequent Bonds in full. The Issuer expects to sell the Subsequent Bonds to selected investors at a later stage.
Use of net proceeds:	<p>The net proceeds of the Initial Bond Issue have been used and will be used, as applicable, for (i) on 8 July 2024, the redemption of senior unsecured bonds (ISIN NO0012702549) issued by the Guarantor in the amount of EUR 50 million, (ii) finance transaction costs, and (iii) finance general corporate purposes of the Group.</p> <p>The net proceeds of the sales of the Subsequent Bonds will be used to, <i>inter alia</i>, finance transaction costs and general corporate purposes of the Group.</p>
Listing:	<p>Application will be made to have the Bonds listed on Nasdaq Stockholm. The Bonds are expected to be listed on or about 27 December 2024, provided that Nasdaq Stockholm approves the listing application.</p> <p>The Bonds are currently listed on the Open Market of the Frankfurt Stock Exchange.</p>
Guarantee:	See " <i>Information on the Guarantee</i> ".

## BUSINESS OF THE ISSUER, THE GUARANTOR AND THE GROUP

### Overview

The Issuer, Multitude Capital Oyj, is a public limited liability company established on 30 May 2024 and organised under the laws of Finland. The Issuer is a wholly-owned subsidiary of the Guarantor, Multitude P.L.C. The Issuer does not engage in any business operations of the Group, does not have any sales or receive revenue outside the Group, and, at the date of this Prospectus, it solely provides funds to the operating subsidiaries of the Group for their business operations.

The Guarantor, Multitude P.L.C., is a public limited liability company established in Finland on 8 March 2005 and currently organised under the laws of Malta. The Guarantor changed its company name from Ferratum Oyj to Multitude SE and carried out a conversion from a Finnish public limited liability company into a European public limited liability company (Societas Europaea, SE) in 2021. The Guarantor is the parent company of the group with a total of 25 Subsidiaries and branches in 17 countries (the “**Group**”). Multitude is headquartered in Griza, Malta. After its incorporation in 2005, it has expanded to operate in 16 countries across Europe, South and North America and Asia. The Group has EU wide banking licence granted by the Malta Financial Services Authority and since February 2015, its shares have been listed on Frankfurt Stock Exchange Prime Standard. The Guarantor is in process of relocating its registered office from Finland to Switzerland through a temporary relocation to Malta. The temporary relocation was completed on 30 June 2024. The Guarantor does not have any sales or receive revenue outside the Group, and is therefore dependent on other Group companies' financial and operating performance and upon receipt of sufficient funds related to the operation of such entities.

Multitude is a financial technology company that develops and operates a big data driven global financial platform for real-time scoring, lending and banking services. Multitude provides consumer banking, SME<sup>16</sup> banking and wholesale banking through three independent business units. According to Multitude's management, Multitude is a specialist in particular in online processes with a centralised technology infrastructure and sales experts and as a pioneer in digital and mobile financial services technology, Multitude is at the forefront of the digital banking revolution. Multitude is an international provider of mobile banking and digital consumer and small business loans, distributed and managed by mobile devices. As at 30 September 2024, Multitude had more than 400,000 active customers that have or have had an active loan balance with at least one of the business units within Multitude in the last 12 months or are active users of the SweepBank app.

As at 31 December 2023, the Group had a total loan and debt investment portfolio of EUR 638.1 million (EUR 528.2 million at the end of financial year 2022). By the end of Q3 2024, the Group's loan and debt investment portfolio has increased to EUR 725.9 million (30 September 2024). As at 30 September 2024, the Group had approximately 400,000 customers across 16 markets.<sup>17</sup>

### Vision and mission of Multitude

Multitude's vision is to become the most valued financial ecosystem valued by customers, employees, partners, and investors. The Group strives to offer its customers the fastest, easiest and most convenient loans. The Group aims to bring this vision beyond lending and into the whole financial field. With customer experience at the Group's core, it drives digital financial services across borders. To achieve this, the Group uses and develops scalable technology, continues to build software-based scoring, and utilise refined data to understand and fulfil the needs and desires of its customers before they even realise such themselves.

Further, Multitude's mission is to democratise financial services by offering everyone value beyond money through fast, easy and superior customer experience. The Group also strives to offer responsible financial services by understanding and reducing its environmental footprint. According to Multitude's management, the Group monitors, reports on and improves the wellbeing of stakeholders, and has embedded ESG conscious practices.

### Personnel

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<sup>16</sup> SME stands for small and medium-sized enterprises.

<sup>17</sup> Save for unaudited Q3/24 figures, all the figures are audited.

The Group's average number of employees by the end of Q3 2024 was 760. In 2023, the Group had an average of 694 employees and in 2022, the Group had an average of 683 employees.

By the end of Q3 2024, the Group's employee costs amounted to EUR 27.5 million. By the end of Q3 2023, the Group's employee costs amounted to EUR 25.2 million. In 2023, the Group's annual employee costs amounted to approximately EUR 34.1 million and in 2022 the equivalent cost was approximately EUR 34 million.<sup>18</sup>

## ***History***

The Guarantor, i.e. the parent company of the Group, was founded in 2005 by the current CEO and largest shareholder (approx. 55 per cent.), Jorma Jokela. Multitude's initial focus was on Finland, Sweden and the Baltics. In 2007 and 2008, the Group expanded into Central and Eastern Europe as well as certain Western countries. In 2011, the Group initiated an international expansion and entered the markets in New Zealand and Australia.

With European banking licence in place in 2012 and a start of banking operations in 2013, the Group was able to further expand within the EU, as the banking licence also enabled deposit funding. In 2015, the Guarantor listed its shares on Frankfurt Stock Exchange as well as launched its mobile banking platform, which further enabled an efficient roll-out of services across its active markets.

The Group has historically been operating with a single business unit (Ferratum) with five product segments: Micro Loans, Plus Loans, Credit Limit, SME loans and Mobile Wallet, including Prime Loan.

The growth was halted in 2020 due to discontinuation of operations and stricted credit policies in certain countries – lending activities were suspended in Spain and Poland, and activities were discontinued in Russia, Canada and New Zealand, as the Group shifted its focus to countries with potential of higher profitable growth.

During spring 2021, the Group renewed its brand from Ferratum to Multitude to reflect the variety of its businesses and different group units, with the new business units comprising of Ferratum (Micro Loans, Plus Loan, Credit Limit), CapitalBox (SME lending) and SweepBank (Credit Card, Prime Loan and Bank Account). Lending was suspended in Australia, as well as in Brazil, in 2022.

In 2023, Multitude comprised Ferratum (consumer lending), CapitalBox (SME lending) and SweepBank (banking app).

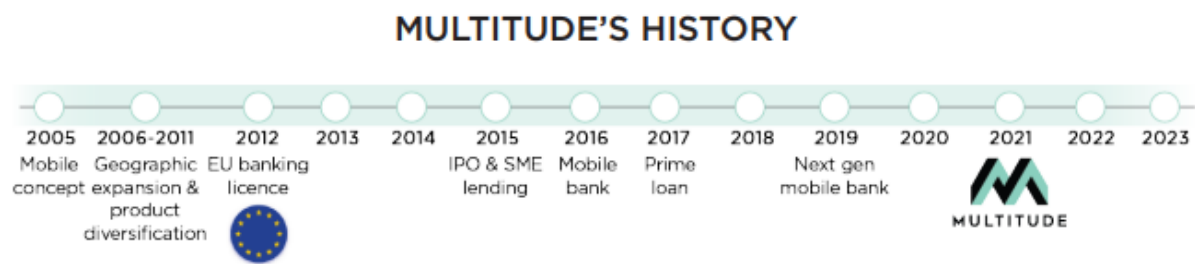
In November 2023, the Group announced its plan for 2024 to form a new business unit, that will offer wholesale banking services under the Multitude Bank brand, by rebranding part of the SweepBank's business. Multitude is now divided into three tribes (business segments) comprising: consumer banking (Ferratum), SME banking (CapitalBox) and wholesale banking (Multitude Bank). In recent years, Multitude has been operating with lower risk appetite and has been shifting towards providing larger, longer-term loans with higher customer lifetime value, where CapitalBox's and Multitude Bank's products have a central role. With the new brands and strategy in place, the Group's tribes have more independent roles with P&L (profit and loss) responsibility and are accordingly even more closely aligned to the customers and their specific needs. According to Multitude's management, Multitude will continue to be a platform that enables the three business units to flourish.

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<sup>18</sup> Save for unaudited Q3/24 figures, all the figures are audited.



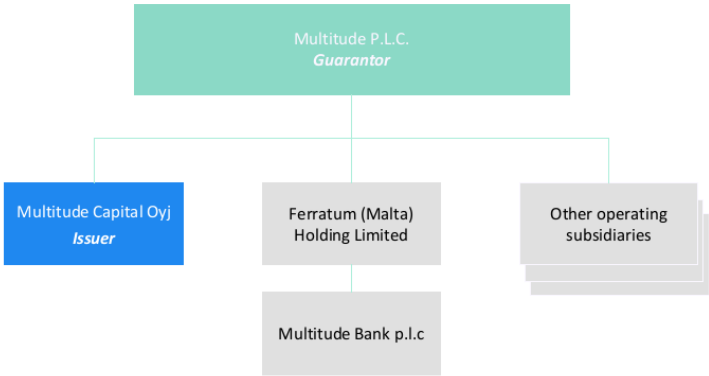
The chart below illustrates Multitude’s history during 2005-2023.



**Group Structure**

The Group includes, besides the Issuer and the Guarantor, Bhawana Capital Limited, CapitalBox AB, Ferratum (Malta) Holding Limited, Multitude Bank p.l.c., Ferratum Bulgaria EOOD, Vector Procurement Solutions Inc., Ferratum Capital Oy, Ferratum Latvia SIA, Ferratum Mexico S. de R.L. de C.C., Ferratum Portfolio S.à r.l., Ferratum Romania I.F.N.S.A., fe Business Services OÜ, Guarantee Services OÜ, Multitude IT Labs s.r.o., Multitude Global Services Corp., Multitude International Services Oy, Multitude Services Sweden AB, Numeratum d.o.o., Pactum Collections GmbH, Saldidipje SL, Saldo Gestion SL, Suomen Joustava Oy, Multitude Services Lithuania UAB and Multitude GmbH. The following chart illustrates the legal structure of the Group and the table below the chart lists the Subsidiaries of the Group as at the date of this Prospectus.

**Overview of legal structure**



Multitude P.L.C. Subsidiaries as the date of this Prospectus <sup>19</sup>			
No.	Name	Country of incorporation	Ownership
1	<b>Bhawana Capital Limited</b>	India	99%
2	<b>CapitalBox AB</b>	Sweden	100%
3	<b>Ferratum (Malta) Holding Limited</b>	Malta	100%
4	<b>Multitude Bank p.l.c.</b>	Malta	100%
5	<b>Ferratum Bulgaria EOOD</b>	Bulgaria	100%
6	<b>Vector Procurement Solutions Inc.</b>	Canada	100%
7	<b>Ferratum Capital Oy</b>	Finland	100%
8	<b>Ferratum Latvia SIA</b>	Latvia	100%
9	<b>Ferratum Mexico S. de R.L. de C.C.</b>	Mexico	100%
10	<b>Ferratum Portfolio S.à r.l.</b>	Luxembourg	100%
11	<b>Ferratum Romania I.F.N.S.A.</b>	Romania	99.94%
12	<b>fe Business Services OÜ</b>	Estonia	100%
13	<b>Guarantee Services OÜ</b>	Estonia	100%
14	<b>Multitude IT Labs s.r.o.</b>	Slovakia	100%
15	<b>Multitude Global Services Corp.</b>	Philippines	100%
16	<b>Multitude International Services Oy</b>	Finland	100%
17	<b>Multitude Services Sweden AB</b>	Sweden	100%
18	<b>Numeratum d.o.o.</b>	Croatia	100%
19	<b>Pactum Collections GmbH</b>	Germany	100%
20	<b>Saldidipje SL</b>	Spain	100%
21	<b>Saldo Gestion SL</b>	Spain	100%
22	<b>Suomen Joustava Oy</b>	Finland	100%
23	<b>Multitude Services Lithuania UAB</b>	Lithuania	100%
24	<b>Multitude Capital Oyj</b>	Finland	100%
25	<b>Multitude GmbH</b>	Switzerland	100%

The Issuer is a wholly-owned subsidiary of the Guarantor, which is the parent of the Group. As the Issuer does not engage in any business operations of the Group and it solely provides funds to the operating subsidiaries of the Group for their business operations, the Issuer is dependent on other Group companies' financial and operating performance and upon receipt of sufficient funds related to the operation of such entities. The operations of the Issuer and the Guarantor are planned to be financed through a mixture of external financing (e.g. issuance and sales of the Subsequent Bonds) and the revenues generated from the operations in the operating group companies.

#### ***Banking subsidiary<sup>20</sup>***

The Group operates in several markets making use of Multitude Bank p.l.c.'s EU credit institution licence issued in September 2012 by the Malta Financial Services Authority (the "MFSA"). The bank's principal activity is the operation of a credit institution under the Banking Act (Cap. 371) of the laws of Malta. The Bank's principal

<sup>19</sup> Non-controlling interest in Bhawana Capital Limited and Ferratum Romania I.F.N.S.A. are not material and aggregated to shareholder equity in consolidated financial statements.

<sup>20</sup> The figures included in this section are unaudited.

activity comprises the origination of unsecured lending and credit products which are distributed through an online platform. During 2024, the Bank provided its services in Bulgaria, Croatia, Czechia, Denmark, Estonia, Finland, Germany, Latvia, Norway, Poland, Romania, Slovenia, and Sweden.

According to Multitude's management, Multitude registered strong regulatory ratios throughout the financial year of 2023. The Liquidity Coverage Ratio metric, designed to ensure that a bank has sufficient unencumbered high-quality liquid assets ("**HQLA**" consisting of cash or assets that can be converted into cash at little or no loss of value in markets) to meet its liquidity needs in a 30-calendar-day liquidity stress scenario was 1,034.10 per cent. as at 30 September 2024. The bank is required to maintain the Liquidity Coverage Ratio above a minimum level of 230 per cent.

The bank is required to maintain a ratio of total regulatory capital to risk-weighted assets ("**Capital requirements ratio**") above a minimum level of 16.20 per cent. The bank's total capital ratio as at 30 September 2024 was 17.22 per cent. The bank is also required to maintain a CET 1 ("**Common Equity Tier 1**") above a minimum level of 13.08 per cent. The bank's total CET1 capital ratio as at 30 September 2024 was 16.16 per cent.

## Business Operations

### *Overview<sup>21</sup>*

Multitude is a financial technology company that develops and operates big data driven global financial platform for real-time scoring, lending and banking services. As described above, Multitude currently operates through three business units: Consumer banking, SME banking and Wholesale banking, offering its customers fast and easy-to-use mobile lending and banking services, unsecured digital consumer loans and small business loans. Consumer banking business unit, facilitating some 83 per cent. of the Group's revenues by the end of Q3 2024 (and 88 per cent. in 2023), provides consumers across 13 markets with unsecured digital consumer loans. SME banking business unit, facilitating approximately 13 per cent. of the Group's revenues by the end of Q3 2024 (and 10 per cent. in 2023), provides both unsecured and secured business loans for small and medium sized enterprises in five European markets (Finland, Denmark, Sweden, Lithuania and the Netherlands). Since the start of 2024, part of SweepBank's business has been rebranded and now offers wholesale banking under the Multitude Bank brand. Wholesale banking, contributing approximately 4 per cent. of the Group's revenues by the end of Q3 2024, provides secured debt and payment services for non-bank lenders, EMIs and other FinTech's as well as for some other selected industries. The SweepBank business unit will no longer be reported.

The Group currently has operations across 16 countries, with approximately 99 per cent. of revenues contributed from Europe, of which the Nordics contributes with the highest share of revenues for approximately 43 per cent. In 2023, the Group operated in 19 countries and its revenue was EUR 230.5 million, an increase of 8.5 per cent. compared to 2022 (EUR 212.5 million) and the Group achieved an EBIT<sup>22</sup> in 2023 of EUR 45.6 million (2022: EUR 31.5 million). For Q3 2024, the Group's revenue was EUR 193.9 million and its EBIT was EUR 47.2 million.

Multitude consists of autonomous businesses for financial services in their own individual business units of financial services. According to Multitude's management, these businesses accelerate building their own gravity by focusing on their own business unit and brand, while leveraging the backbone resources of Multitude in e.g. data analytics and handling, scoring, technology, legal experience and our full European banking licence. The ecosystem also allows strong networking effects between businesses, leading to strong bench marking, cross sales, and overall increased synergies for exponential development.

### *Ferratum – Main profit contributor offering the Near Prime loan solutions*

The Consumer banking business unit (Ferratum) is the core business and main profit contributor of the Group offering the loan solutions MicroLoans, PlusLoans, PrimeLoans, Credit Limit and Credit Card to customers across 13 markets. Ferratum focuses on customers with unplanned financial needs occurring due to unexpected life events. Its credit offering is based on speed and convenience with easy online application processes.

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<sup>21</sup> Save for unaudited Q3 2024 figures, all the figures included in this section are audited.

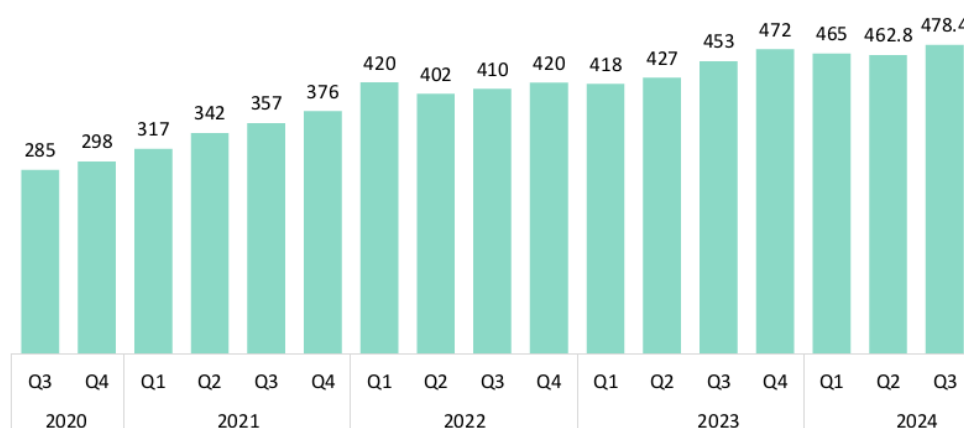
<sup>22</sup> Earnings before interest and taxes.

MicroLoans offer customers rapid and straight-forward access to small cash amounts. PlusLoans are offered to customers in larger amounts, ranging from EUR 300-4,000 with a maturity period of 2-18 months. PrimeLoans are offered to consumers in longer-term instalment loans of up to EUR 15,000 with maturities ranging from 1-7 years. The Credit Limit product is based on revolving credit, and unlike instalment loans, it is a type of credit without a fixed number of payments. The Credit Card, a Mastercard® allows financing purchases of up to EUR 8,000. In 2019, Ferratum made a strategic shift towards providing longer-term lending solutions with higher customer lifetime value, which has increased the focus on the Credit Limit solution as opposed to MicroLoans or PlusLoans.

In 2020, lending operations were discontinued in five markets (Spain, Poland, New Zealand, Russia and Canada) due to a COVID-19 related risk mitigation plan, which resulted in a decline in revenue and EBIT. As part of the risk mitigation plan, the remaining activities in the UK were sold in 2021. During 2022 Ferratum suspended lending in Brazil and Australia. However, due to a strategic decision to implement stricter scoring, harnessing of new data sources, greater agility and more centralised operations, the business unit grew stronger with higher loan amounts to higher-quality customers with improved payment behavior. The Credit Limit product rollout continues and was launched in Slovenia in 2022. On 3 April 2023, the Group sold its 100 per cent. ownership in Ferratum Australia Pty Ltd. On 6 June 2023, Ferratum Czech s.r.o. was voluntarily liquidated and on 22 June 2023, Ferratum Capital Germany GmbH merged with Pactum Collections GmbH based on the merger agreement. On 22 December 2023, Multitude sold its total shareholdings, representing 100 per cent. of the Group's shares in Ferratum Brazil Servicos De Correspondente Bancario Ltda.

As evidenced by the graph below, Ferratum's lending activity has been steadily increasing in core markets, with the outstanding receivables portfolio in open markets having grown by 67.9 per cent. since Q3 2020.

**Ferratum receivables portfolio growing in core markets (EURm)<sup>1</sup>**



1) In line with new segmentation.

Notes: Figures are unaudited.

According to Multitude's management, Ferratum's customer satisfaction is continuously on a high level while manually handled contact volumes have decreased due to increased digitalisation of the loan offering process. Customer satisfaction is measured on an ongoing basis via the Net Promoter Score (NPS). Ferratum's latest NPS was 65 (November 2024) (64 in Q3 2024). The NPS figure should be interpreted as illustrating customer satisfaction, where a higher the NPS indicates better customer perception or satisfaction. The NPS measures customer loyalty by asking how likely customers are to recommend Ferratum on a scale of 0 to 10, categorizing responses into promoters, passives, and detractors; it is calculated by subtracting the percentage of detractors (those who rate 0–6) from the percentage of promoters (those who rate 9–10), giving a score between -100 and +100.

In 2023, Consumer banking business unit accounted for 82 per cent. and 88 per cent. of Multitude's net loan receivables and revenue, respectively. By the end of Q3 2024, Consumer banking created 83 per cent. of the

Group's revenue and accounted for 66 per cent. of Multitude's loan and debt investment receivables. In 2023, Consumer banking's EBIT amounted to EUR 43.0 million and by the end of Q3 2024, EUR 45.3 million.<sup>23</sup>

The chart below describes the Consumer banking business unit in a summarised matter.



### ***CapitalBox – European FinTech powerhouse with a digital lending to SMEs***

After the brand renewal, CapitalBox has had a pure focus on digital lending to SMEs. CapitalBox's vision has been establishing an European FinTech powerhouse for funding services to small and medium sized businesses. With a history dating back to 2015, CapitalBox has grown into a FinTech player providing small and medium sized enterprises (SMEs) rapid and short-term working capital loans in amounts up to EUR 3 million in secured lending, but most loans ranging up to EUR 350,000 with 6-48-month tenors. CapitalBox also offers a Credit Line as a flexible form of finance to SME's. The Credit Line, a dynamic form of financing, can range from EUR 2,000 to EUR 150,000. CapitalBox has operations in five markets: Finland, Denmark, Sweden, Lithuania and the Netherlands. CapitalBox's customers have been very satisfied, reflected in the high rate of recurring customers and strong retention rates it has experienced since establishment. An average SME customer of CapitalBox has been in business for seven years, has EUR 500,000 in annual revenues and three employees.

The information provided, sophisticated algorithms as well as automated external checks and risk analysis allows for 5-minute applications, credit decisions in hours and money within one day. SME value proposition covers serving underbanked small businesses throughout Europe with Multitude's philosophy - providing fast, easy, and anytime access to financial services.

In October 2020, CapitalBox acquired the business operations of Dutch company Spotcap Netherlands B.V., providing the business unit with deeper access to the Netherlands and the country's 1.1 million SMEs. CapitalBox remained profitable during the turbulent 2020 which was a result of the stable payment behavior among customers, equal to pre-COVID levels, as well as the ability to pivot and adapt overnight to make necessary changes to underwriting, rescheduling, collections and sales with fully digital processes. On 24 August 2023 Capital Box GmbH merged with Pactum Collections GmbH. In Q1 2024, CapitalBox acquired the business of Danish-based Omniveta, to add invoice purchasing to CapitalBox's offering in Denmark, and to extend such offering to other markets that CapitalBox is active in. Omniveta was purchased for a consideration of EUR 800,000. According to Multitude's management, CapitalBox has made significant progress in Multitude's three key areas: organic growth, strategic partnerships, and mergers and acquisitions (M&A). In 2023 SME lending's revenue and EBIT were EUR 23.7 million and EUR 0.7 million. In 2023, SME lending accounted for 18 per cent. and 10 per cent. of Multitude's net loan receivables and revenue, respectively. By the end of Q3 2024, SME lending's revenue and EBIT were EUR 24.7 million and negative EUR 2.7 million, respectively. By the end of Q3 2024 SME lending generated 13 per cent. of the Group's total revenue.<sup>24</sup>

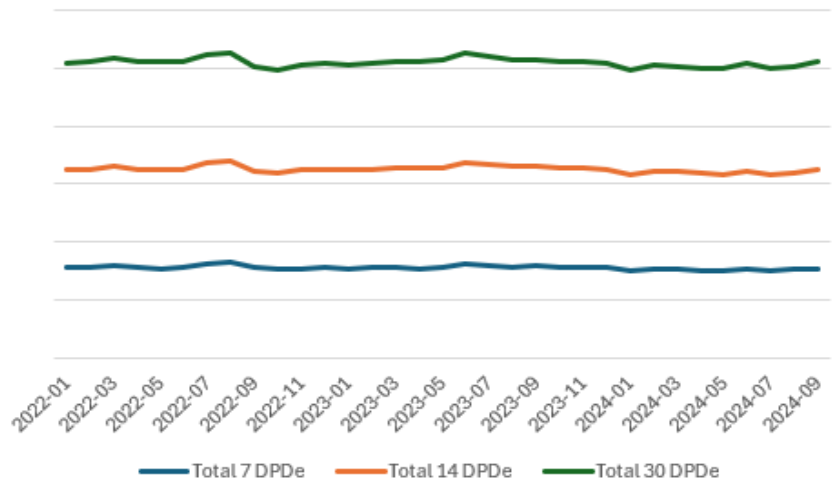
<sup>23</sup> Save for unaudited Q3 2024 figures, all figures are audited.

<sup>24</sup> Save for unaudited Q3 2024 figures, all figures are audited.

In terms of the competitive landscape, CapitalBox views itself as a pan-European agile, digital player that is able to provide SMEs with large loans with competitive terms. Complete automation of underwriting and sales for all loan processes, along with expansions, are the key initiatives planned for implementation.

As illustrated by the graph below, CapitalBox's customer behaviour has been strong throughout from 2022 to Q3 2024.

**Customer behaviour strong throughout 2022-Q3 2024**



Notes: DPDe stands for Days Past Due. Figures in the graph are unaudited.

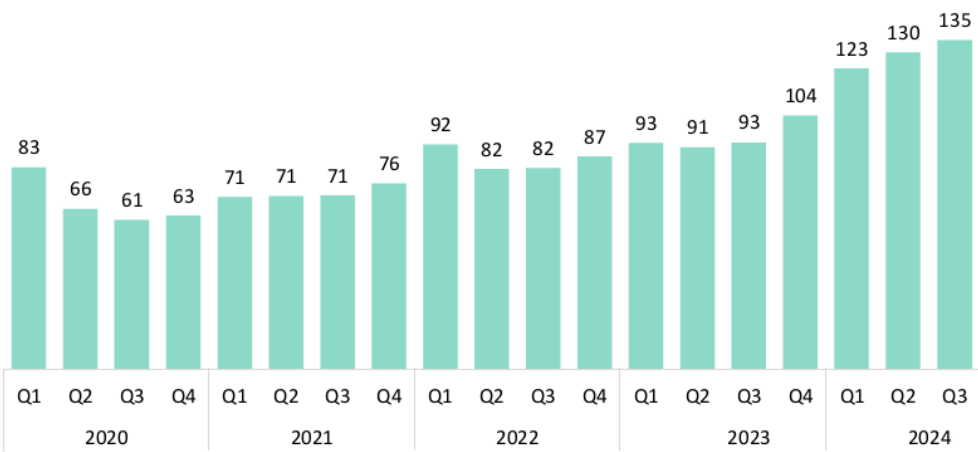
SME lending reduced lending activities in the midst of COVID-19 but has since increased its lending appetite with the receivables portfolio amounting to EUR 123 million<sup>25</sup> in Q1 2024 as illustrated by the graph below.

<sup>25</sup> Figure is unaudited.

Customers showed solid payment behaviour in throughout 2023 and Q3 2024, with paid back rates being stable throughout the period. According to Multitude's management, the improvement in paid back rates was mainly due to more rigorous credit policies and stricter scoring. Since Q3 2020 SME lending has selectively increased its lending appetite with loans to customers amounting to EUR 104.0 million<sup>26</sup> in 2023. At the end of Q3 2024, SME lending's loans to customers had grown to EUR 134.6 million<sup>27</sup>.


The graph below illustrates CapitalBox’s receivables portfolio in core markets from Q1 2020 to Q3 2024.

**CapitalBox receivables portfolio growing in core markets (EURm)<sup>1</sup>**



1) In line with new segmentation.  
Notes: Figures are unaudited.

The table below illustrates CapitalBox's average SME customers, SME value proposition, vision and market potential.

Segment overview	
	<div>AVERAGE SME CUSTOMER</div> <ul style="list-style-type: none"> <li>7 years in business</li> <li>EUR 500k in annual revenues</li> <li>3 employees</li> </ul>
	<div>SME VALUE PROPOSITION</div> <ul style="list-style-type: none"> <li>Serving underbanked SMEs throughout Europe with Multitude's philosophy</li> <li>Fast, easy, and anytime access to financial services</li> </ul>
	<div>VISION</div> <ul style="list-style-type: none"> <li>Establishing an European FinTech powerhouse for funding services to SMEs</li> </ul>
	<div>MARKET POTENTIAL</div> <ul style="list-style-type: none"> <li>EUR 14.8bn total addressable market</li> </ul>

Notes: Market potential of EUR 14.8 billion total addressable market in the graph above is the assessment f Multitude's management.

**Multitude Bank – Wholesale banking offering Secured Debt and Payment Solutions to banks and payment and electronic money institutions**

In November 2023, Multitude announced its plan for 2024 to form a new business unit that offers wholesale banking under the brand of Multitude Bank. SweepBank was introduced in Q2 2021 as Multitude’s digital banking

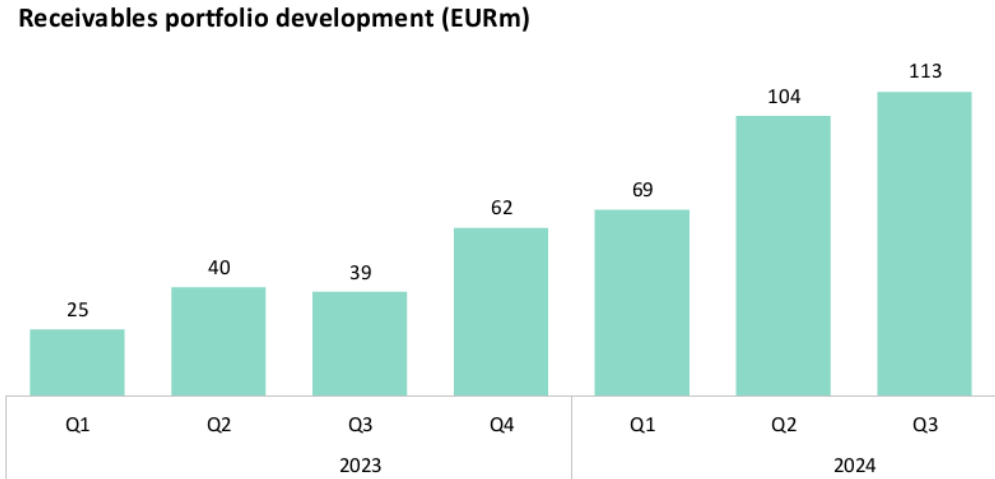
<sup>26</sup> Figure is audited.  
<sup>27</sup> Figure is unaudited.

platform offering prime loan financing, a mobile wallet solution and a credit card. SweepBank ceased reporting as an independent business unit in 2024 and its technology and products serve as a foundational component for expanding the range of services at Ferratum and CapitalBox. The Multitude Bank brand was officially introduced as a distinct entity in January 2024 and offers wholesale banking in the form of Secured Debt and Payment Solutions. Secured Debt provides secured funding solutions against lending portfolios or other assets pledged as collateral, while Payment Solutions provides end-to-end payment operations for other banks, payment institutions and electronic money institutions.

Multitude Bank and Wholesale banking is positioned to serve a new customer segment, including payment and electronic money institutions seeking comprehensive solutions for transaction processing and payment handling. Although customers vary in size, scope and specific needs, customers consist exclusively of reputable clients in stable jurisdictions, adhering to a disciplined approach that emphasizes a robust risk-reward ratio in order to access comprehensive financial solutions to support their operations and serve their own clientele effectively. According to Multitude's management, Multitude has an experience of nearly two decades, a digital-first approach, advanced risk management tools, and utilizes strategic data, which allows for a swift underwriting process, often concluded in six weeks. The new business unit is being led by Alain Nydegger (Tribe CEO for Wholesale banking), who joined Multitude on 15 April 2024.

At the end of Q3 2024, Wholesale banking accounted for 16 per cent. and 4 per cent. of Multitude's receivables portfolio (both loans and investments) and revenues, respectively and EBIT amounted to EUR 4.5 million.<sup>28</sup> Wholesale banking will focus on further developing and growing the receivables portfolio and actively engage in marketing and public relations efforts to promote the products and generate high-quality leads.

The graph below illustrates Multitude Bank's receivables portfolio development from Q1 2023 to Q3 2024.



Notes: Figures are unaudited.

<sup>28</sup> Figures are unaudited.



The graph below summarises Wholesale banking's Secured Debt offering's key attributes to alternative lenders and FinTechs – according to Multitude's management, the total addressable market for Secured Debt product is EUR 15.7 billion.

### Secured Debt offering to alternative lenders and fintechs



*Total addressable market of EUR 15.7bn*

Note: RE stands for real estate.

### Technology

Technology is at the core of Multitude's decision-making processes and, according to Multitude's management, ensures that customers are provided the most suitable products. Multitude's technology has been built to support the whole ecosystem, business strategy and organisation, business processes, and all entities on the ecosystem.

The technology has been built on three fundamentals:

- Data – Integrated real-time data processing enables fast decision making based on trusted, quality data;
- Applications – A microservice application layer, where the business logic takes place. Big number of small microservice components support fast changes and independent end to end team operations; and
- Infrastructure – Cloud-native infrastructure to support automated code delivery pipeline and scalability. An infrastructure as code set-up maximises infrastructure utilisation.

Multitude's modern open-source tech stack consists of three basic layers:

- Customer user interfaces and channels – Separated interfaces (mobile client, laptop & desktop client, partner interfaces) without major business logic;
- Application layer and external integrations – This layer consists of more than 200 small components, integrated by API<sup>29</sup> interfaces; and
- Cloud-native Infrastructure – The infrastructure is managed as code to ensure automated code delivery (continuous integration (CI) and continuous development (CD) pipeline or CI/CD pipeline). The infrastructure scales automatically to provide optimised resources.

According to Multitude's management, high levels of automation enable low-cost scalability for the Group. Between Q1 2023 and Q3 2024, quarterly operating expenses of Multitude varied between EUR 14.1 million and EUR 16.1 million (that can range from 2.5 to 3.0 per cent. of the Group's receivables portfolio) and quarterly staff

<sup>29</sup> API stands for application programming interface.

costs of Multitude varied between EUR 8.4 million and EUR 9.5 million (1.2 to 1.6 per cent. of the Group's receivables portfolio).<sup>30</sup>

## **Corporate Strategy**

The carrying forces supporting Multitude's strategy and vision of becoming the most valued financial ecosystem are the positive trends of customer experience, financial inclusion, and online shopping, paired with a post-COVID boost.

Multitude's strategy is rooted in a shared culture of respect, winning teams, customer centricity, candour, and the entrepreneurial spirit that has throughout Multitude's whole history been the driving force for innovation and pioneering in the financial services field.

Multitude's independent and autonomous businesses in the Multitude ecosystem have their own brands, strategies, and resources for their execution. They own the entire customer journey and have full responsibility of the results of their businesses. These businesses are fuelled by lead generation, conversion, risk excellence, CRM (customer relationship management) and networking effects - and further supported through Multitude offering them competence development, banking as a service, as well as a solid tech and data platform.

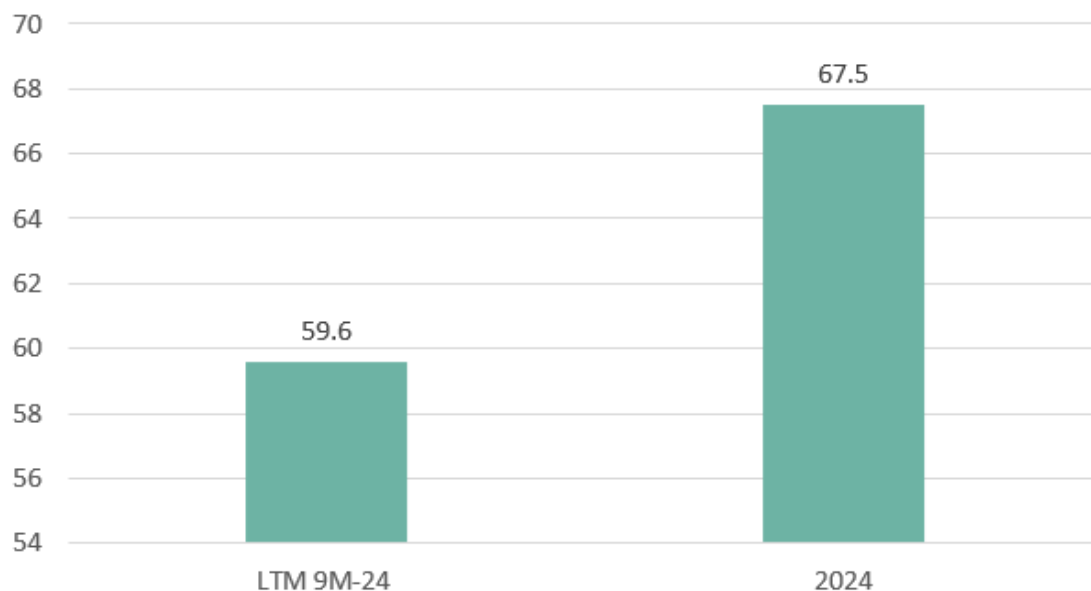
Multitude's way of working is based on an agile culture, utilisation of big data and AI, digital marketing, focus on user experience, a well-balanced s-curve, micro services and a green and sustainable mind-set. S-curve relates to the ambition to provide offerings on all stages of the product life-cycle curve, which means not only to rely on existing offerings, but to strive to innovate offerings permanently. The Group aims to embed environmentally and socially conscious practices in how it delivers value for its stakeholders.

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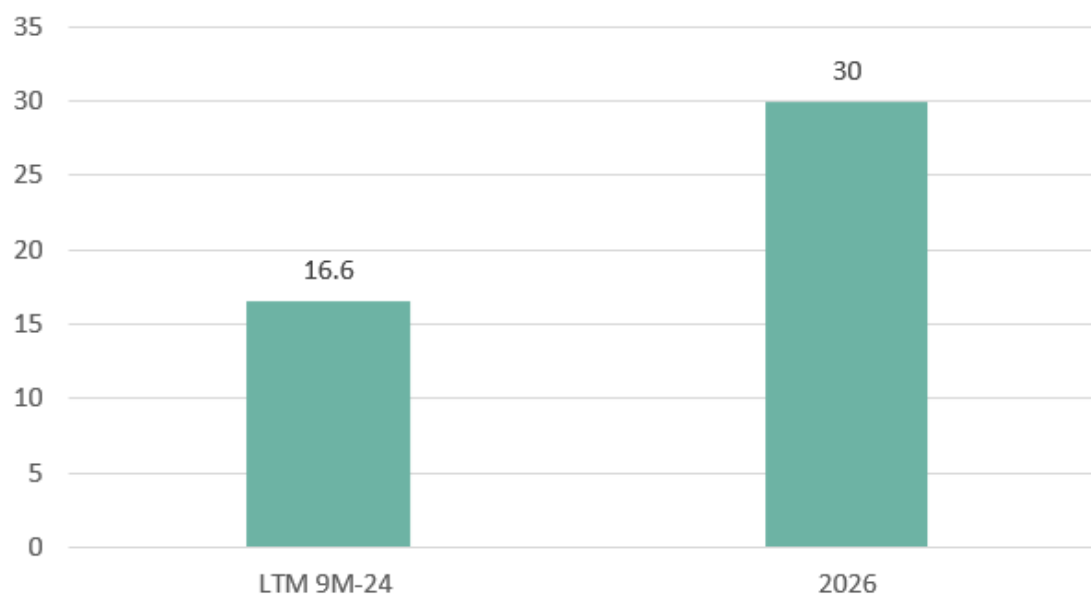
<sup>30</sup> Figures are unaudited.

In November 2023 and in conjunction with the Group's Q1 2024 report, Multitude outlined its updated financial targets for 2024 and 2026. Going forward, Multitude focuses on accelerating growth through organic initiatives, partnerships and M&A (mergers and acquisitions). As illustrated by the graphs below, Multitude targets to reach an EBIT (earnings before interest and taxes) of EUR 67.5 million in 2024 and a net profit of EUR 30 million in 2026.

#### Multitude EBIT target in 2024 (EURm)



#### Multitude net profit target in 2026 (EURm)



Notes: LTM (last twelve months) refers to the timeframe of the immediately preceding 12 months. Figures in the graph are unaudited.

In addition, Ferratum targets an EBIT growth of 5 per cent. in 2024 compared to 2023 figures, while CapitalBox expects an EBIT of EUR 10 million in 2024.

Alongside Multitude's financial targets, the Group aims to scale up its three tribes through increased lending activities while also aiming to achieve its ESG targets. Multitude's business model focuses on providing financial services to the overlooked customer thereby improving access to finance for consumers and SMEs. The Group's mission drives an approach that enables financial and social inclusion, and limits potential carbon emissions thanks to the absence of a physical branch network. Multitude has set a number of environmental and social targets:

- Net zero Scope 2 emissions by 2030.
- Net zero Scope 3 purchased good and services emissions by 2035.
- Responsible lending index score of 4.5 by 2025 (4.3 as of latest reporting as of Q2/24).
- Employee net promoter score of 25 by 2025 (25 as of latest reporting as of Q1/24).
- Female representation in management and board of 38 per cent. each by 2025 (39 per cent. as of latest reporting as of Q2/24).

As at the date of this Prospectus, Multitude does not update or report the Net zero Scope 2 and Net zero Scope 3 targets mentioned above, but has an ongoing action plan concerning updating and reporting the Net zero Scope 2 and 3 targets. In relation to the Net zero Scope 2 and 3 targets, an exclusion policy has been set prohibiting Multitude from financing promotion of and electricity generation from steam coal.<sup>31</sup> Further steps are work in progress however, the Group calculates its emissions annually and takes measures to improve the emissions estimation. For example, in 2023, Multitude became an official signatory of PCAF<sup>32</sup> that provides industry-recognized standards to measure financed emissions. Multitude reports the Group's emissions annually (since 2022) and the next update will follow for financial year 2024 in March 2025 in the annual report.

Multitude is currently conducting a Double Materiality Assessment which will support the improvement of the Group's strategy, risk management, and governance to better address material ESG impacts, risks and opportunities. As a part of building the foundation of ESG governance, the Group has formed an ESG Steering Committee which includes the CEO and the Group ESG Officer. On the board committee level, the Risk Committee oversees the ESG risks. The Group has also taken steps to integrate ESG considerations within its operations. ESG risk assessment of a counterparty is now performed as part of the procurement process and lending by Wholesale banking tribe. Furthermore, ESG risk assessment has also been integrated into the new product approval process.

Multitude does not rely solely on its own innovative power, but is creating a highly flexible financial ecosystem through partnerships to cater the broadest range of financial needs via a single, unified application. The partnership approach allows faster growth with limited capital expenditure. Products are built around the entire customer lifecycle by involving partners from both the financial industry, and non-financial technology companies.

The Multitude ecosystem allows Multitude and its partners to scale addressable markets globally. Through ongoing innovation, development of services, geographic expansion, and global partnerships, Multitude is seeking to continue delivering sustainable, profitable growth to its shareholders.

At the centre of Multitude's strategy is the Multitude's mission of democratising financial services through digitalisation. Multitude's success is measured with the satisfaction of its customers, the satisfaction and motivation of its people, and by profitable growth.

### **Corporate Responsibility**

Multitude is committed to ensure that its marketing practices and lending decisions are clear, consistent and transparent. Multitude's priority is to protect customers' data and privacy, as well as to ensure that sufficient and relevant information is securely obtained and provided to customers applying for lending products. Multitude uses a sophisticated loan scoring system which accesses internal and publicly available data with the customer's consent

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<sup>31</sup> The Group's ESG Policy is available on Multitude's website and has effective since July 2022.

<sup>32</sup> Partnership for Carbon Accounting Principles.

combined with self-learning algorithms which together ensure a thorough assessment of customer affordability and product suitability.

Within Multitude, responsible lending is a collective responsibility spanning across all operations and all different levels. Several procedures and processes designed to reduce the risk of unaffordable loans being granted are in place within the Group. Such procedures and processes vary from country to country and from product to product. Multitude strives to adhere to strict marketing guidelines and lending activities are governed by a number of internal rules and as an example, granting more than one loan to the same customer at the same time is prohibited.

Multitude has also marketing guidelines in place focusing on matters of general application. Guidelines are reviewed periodically to ensure that they remain appropriate and adequate. Marketing guidelines obligate, among others, not to advertise any service in a misleading, false or deceptive manner. Multitude aims to clearly detail all relevant information to consumers including updated interest rate and fee information. In 2024, Multitude has not received written reports of incidents of non-compliance with regulations or internal marketing guidelines. The bank is in ongoing discussions with its regulatory authority with regards to their expectations on certain marketing content.

## **Recent Events**

### ***Change of functional currency in Croatia***

Croatia has been a member of the European Union since 1 July 2013. On 12 July 2022 the Council of the European Union approved the accession of Croatia to the euro area on 1 January 2023 and determined the conversion rate for the Croatian kuna. Multitude converted all local balances and operations at the conversion rate of HRK 7.53450 per EUR 1.

### ***Changes in Group Structure***

On 03 April 2023, Multitude sold its total shareholdings, representing 100 per cent. of the Group's ownership interests, in Ferratum Australia Pty Ltd. ("FAU") for a total consideration of AUD 10. Immediately prior to the sale, FAU's net assets amounted to EUR 477 thousand and accumulated foreign exchange loss from net foreign business investment equalled to EUR 514 thousand. The disposal is considered an adjusting event for Q1 2023.

Mr Credit Pty Ltd was voluntarily liquidated on 24 April 2023. On 6 June 2023 Ferratum Czech s.r.o. was voluntarily liquidated. On 22 June 2023 and based on the merger agreement Ferratum Capital Germany GmbH merged with Pactum Collections GmbH. On 24 August 2023 and Capital Box GmbH was merged with Pactum Collections GmbH in accordance with the merger agreement between the two companies. On 28 November 2023, Multitude sold its shares, representing 100 per cent. ownership interests, in Bidellus Bangladesh Ltd. On 22 December 2023, Multitude sold its total shareholdings, representing 100 per cent. of the shares in Inari Serviços Financeiros Ltda and on 22 December 2023, Multitude sold its total shareholdings, representing 100 per cent. of the shares in Ferratum Brazil Servicos De Correspondente Bancario Ltda.

### ***Strategic Investment in Lea Bank ASA***

In October 2024, Multitude P.L.C.'s subsidiary, Multitude Bank p.l.c., acquired a 9.9 per cent. strategic stake in Lea Bank ASA, a Norwegian digital bank operating across the Nordic region and Spain. An additional agreement to acquire a further 8.7 per cent. stake, subject to approval by the Norwegian Financial Authority, is expected to position Multitude as the largest shareholder with an 18.6 per cent. holding. This EUR 15 million investment supports Multitude's growth strategy and strengthens its position in the digital consumer finance market. The acquisition complements Multitude's business model and provides opportunities for strategic cooperation and financial returns through dividends and associated income.

### ***Investment in Sorter Oy***

On 04 April 2023, Multitude acquired 19.97 per cent. ownership in a Finnish financial comparison platform, Sorter Oy for the purchase price of EUR 1 million. After the transaction Multitude has become a non-controlling minority shareholder of the company. Sorter is a Finnish FinTech company established in 2018, which compares

financial services for its customers in the similar way hotels or flights are compared online. Sortter is handling credit applications worth of more than 300 million euros every month and has become one of the biggest financial product comparison services in Finland. Sortter's revenues amounted to over EUR 5.5 million in 2022 and it grew 160 per cent. from the previous year.

### ***Banking crisis 2023***

Subsequent to the year ended 31 December 2022, the banking sector has faced some turmoil due to the fall of banks in the US (Silicon Valley Bank et al.) and Europe (Credit Suisse), which may be considered to increase liquidity risk and uncertainty in the sector. None of the Group's legal entities has direct or indirect exposures to these banks.

On the bank level, liquidity position was managed by increasing the deposit portfolio by approximately EUR 80 million in the first quarter of 2023, in order to maintain a healthy liquidity position. The Bank has a very well diversified depositor base, with 99 per cent. of its deposits from customers being covered by the depositor compensation scheme.

### ***Acquisition of Omniveta***

In Q1 2024, CapitalBox acquired the business of Danish-based Omniveta, to add invoice purchasing to CapitalBox's offering in Denmark, and to extend such offering to other markets that CapitalBox is active in. Omniveta's business was purchased for a consideration of EUR 527,000.

### ***Fitch rating affirmation***

On 23 February 2023, Fitch Ratings affirmed Multitude P.L.C.'s (at the time Multitude SE) Long-Term Issuer Default Rating (IDR) at 'B+' with Stable Outlook. The senior unsecured notes have been affirmed at 'B+' /RR4 and the subordinated hybrid perpetual capital notes at 'B-' /RR6. On 15 February 2024, Fitch Ratings revised Multitude P.L.C.'s (at the time Multitude SE) and its fully owned Multitude Bank p.l.c.'s outlook from Stable to Positive, while affirming their Long-Term IDRs at 'B+'. The new Bonds received 'B+' rating by Fitch Ratings on 14 June 2024 following receipt of the final issue documents.

### ***The Guarantor's relocation from Finland to Switzerland***

The Guarantor is in a process of relocating its registered office from Finland to Switzerland through a temporary relocation to Malta. The temporary relocation was completed on 30 June 2024.

On 21 August 2024, an Extraordinary General Meeting of the Guarantor approved the conversion of the company from a *societas europaea* (SE) into a Maltese public limited liability company (P.L.C.), in accordance with Council Regulation (EC) No. 2571/2011. The conversion was completed on 3 September 2024, and the Guarantor's name officially changed to Multitude P.L.C., with a new registration number in the Malta Business Registry (C 109441).

Additionally, on 5 September 2024, the shareholders of the Guarantor approved the redomiciliation of Multitude P.L.C. to Zug, Switzerland, which is subject to certain conditions under Maltese and Swiss law. According to Multitude's management, the redomiciliation is expected to strengthen Multitude's strategic positioning in the European financial market.

## **Legal and Regulatory Matters and Proceedings**

### ***Legal and Regulatory Matters***

The EU Consumer Credit Directive (2008/48/EC) (the "CCD") was adopted in April 2008 and entered into force in May 2008. The Member States were obliged to harmonise their legislation by May 12, 2010. To serve the purposes of consumer protection and credit transparency, the CCD mandates disclosure of a standardized annual percentage rate figure for all consumer credit products. The European Parliament approved the Consumer Credit Directive 2 ("CCD2") on 12 September 2023 and it was published in the EU's Official Journal on 18 October 2023, repealing and replacing the CCD. EU Member States are, therefore, obliged to implement the CCD2 provisions into their national legal systems by November 2025. Among other matters, CCD2 imposes an obligation

on Member States to cap standardised annual percentage rates, interest rates or total costs, prohibits marketing from creating false expectations, regulates certain information requirements, including changes to the pre-contractual information, and imposes several obligations in relation to creditworthiness assessments.

The Group operates in several markets making use of Multitude Bank p.l.c.'s EU credit institution licence issued in September 2012 by the Malta Financial Services Authority, namely Estonia, Latvia, Germany, Bulgaria, the Czech Republic, Norway, Romania, Sweden, Finland, Denmark and Croatia. This EU banking licence is required or may be required to conduct business in a number of existing and potential future markets. Multitude Bank p.l.c.'s banking licence also provides the Group with the benefits of increased levels of trustworthiness vis-à-vis its customers, access to pertinent databases to further enhance scoring models, and funding options linked to accepting deposits to support profit growth.

Directive 2014/59/EU of 15 May 2014 establishing a framework for the recovery and resolution of credit institutions and investment firms (the EU Bank Recovery and Resolution Directive (the “**BRRD**” or the “**Directive**”), which sets common rules across the EU for dealing with failing banks and large investment firms, came into force on 1 January 2015. The BRRD lays out a comprehensive set of measures that ensure that both banks and authorities make adequate preparation for crises, by empowering national authorities to intervene in troubled institutions at a sufficiently early stage to address developing problems, and to take rapid and effective action when bank failure cannot be avoided.

The Directive has also established a bail-in system. In Malta, bail-in was immediately applicable to junior debt holders as from 1 January 2015 and applicable to senior debt holders from 1 January 2016. The purpose of the bail-in system is to stabilise a failing bank so that its essential services can continue, without the need for bail-out by public funds. The tool enables authorities to recapitalise a failing bank through the write-down of liabilities and/or their conversion to equity so that the bank can continue as a going concern, giving authorities time to reorganise the bank or wind down parts of its business in an orderly manner. In the process, directors and senior management may be removed or replaced if those persons are found unfit to perform their duties.

The application of the bail-in system requires the prior evaluation as to whether certain conditions are met. In particular, the following pre-requisites would need to be satisfied:

- a) a determination by the competent authority or Resolution Authority that a bank is failing or is likely to fail;
- b) no reasonable prospect that any alternative private sector measures or supervisory action would prevent the failure of the bank within a reasonable timeframe; and
- c) a bail-in is necessary in the public interest.

Bail-in would apply to any liabilities of the Group not backed by assets or collateral. It would not apply to deposits protected by a deposit guarantee scheme, short-term inter-bank lending or claims of clearing houses and payment and settlement systems with a remaining maturity of seven days, client assets, or liabilities such as salaries, pensions, or taxes.

After shares and other similar instruments, bail-in will first, if necessary, impose losses evenly on holders of subordinated debt and then evenly on senior debtholders. Deposits from SMEs and natural persons, including those in excess of EUR 100,000, will be preferred to senior creditors.

The term 'Resolution Authority', as utilised in this section, refers to the public administrative authority appointed within the jurisdiction of Malta and empowered to apply the resolution tools and exercise the resolution powers described in the BRRD. The resolution authority in Malta is the Malta Financial Services Authority.

#### *Legal Proceedings*

In the 12 months preceding the date of this Prospectus, the Issuer, the Guarantor or any other member of the Group has not been involved in any governmental, legal or arbitration proceedings which may have, or have had in the recent past, a significant effect on the Issuer, the Guarantor and/or the financial position or profitability of the Issuer, the Guarantor and/or the Group, nor is the Issuer or the Guarantor aware of any pending proceedings or the

threat thereof that may have a significant effect on the Issuer, the Guarantor and/or the financial position or profitability of the Issuer, the Guarantor and/or the Group except for pending appeal filed by Multitude Bank p.l.c. against the FIAU's decision in 2022, wherein it imposed an administrative penalty of EUR 653,637. Multitude Bank p.l.c. disagrees with the FIAU's decision and has submitted an appeal against this decision in front of the Court of Appeal (Malta); Furthermore, Multitude Bank p.l.c. has also instituted proceedings before the Maltese Constitutional Court requesting it to declare, among others, that the applicable sections of the Maltese AML legal framework violate the fundamental human rights of Multitude Bank p.l.c. and that the FIAU's investigation and decision to impose the penalty were likewise in breach of the Maltese Constitution and the European Convention on Human Rights.

### **Material Agreements**

The Issuer or the Guarantor or any other Group company has not entered into any material contracts (other than contracts entered into in their ordinary course of business) which could result in any Group company being under an obligation or entitlement that is material to the Issuer's ability to fulfil its obligations to the Bondholders.



## MARKET OVERVIEW

### Overview

Multitude's management estimates that the EU consumer credit market is becoming increasingly digitalised with many niche players having entered the market in recent years. Traditional banks are forced to adapt to the industry tailwinds in order to stay competitive in the new landscape. Due to their significant size, the platforms of the traditional banks' are typically more expensive to serve than those of digital banks. Digital mobile consumer loans serve as an important driver of the digitalisation of the banking sector. Mobile lending is a modern way of granting loans by utilizing mobile telecommunications and online technology to enable fast, easy and confidential loan services. Furthermore, Multitude's management views that platforms and platform thinking have been a hot topic amongst many FinTechs and other technology companies across industries, and a wide variety of platform models are in use globally. At Multitude, platform business is referred to as one that offers a suite of business processes and services to help other businesses scale and grow faster than they could on their own, by allowing them to leverage network effects of the platform ecosystem, increase their user base, and enhance their value proposition. Based on Multitude's management, the key to their growth platform thinking is that Multitude can seamlessly deliver robust and reliable services to the customers, its business units, and extend those services to other partners. Multitude's growth platform, at the heart of the ecosystem, is built from various components, such as their technology platform, legal framework, Multitude Bank's banking processes and licence, and a variety of centralised functions to support their business operations. According to Multitude's management, the benefits and features of Multitude's platform can be divided into four main categories:

- Access to funding, supported by Multitude Bank.
- Regulatory and compliance expertise (KYC<sup>33</sup>, AML<sup>34</sup>, anti-fraud, scoring, reporting).
- Technological support (API integration, security).
- Cross-resourcing and selling opportunities.

According to Multitude's management, Multitude is a fully digital bank with a complete service offering, thus uniquely positioned in the competitive landscape. European mobile banking peer offer similar digital platforms with low serving costs, but have smaller digital offerings compared to Multitude. Multitude is also facing competition from larger consumer credit companies and consumer finance divisions of global banks.

Ferratum's and CapitalBox's market position, as viewed by Multitude's management, is unique due to their automated credit processes and through their scalable funding, which leads them to be more agile in issuing loans to customers than traditional credit institutions and being able to provide customers with larger loans than competing lending and digital service providers.

### Multitude's Business Environment and Growth Opportunities

The following review is mainly based on the estimates of Multitude's management.

Based on a combination of the four benefits and features listed above, complemented with a solid track record despite macroeconomic challenges and changes during its history, Multitude continues to build an ecosystem for sustainable finance for its own business units, as well as for external customers. Internally, Multitude's customers are Multitude Bank as a wholesale banker, Ferratum as a consumer banker, and CapitalBox as a business banker. Each business unit can leverage centralized core operations such as finance, customer service, IT, and legal for lean operations and strong synergies through data exchange. First external customers were successfully added to the growth platform in Q3 2022 and are currently utilising its funding benefits. The underlying technology platform is based on highly available cloud-native infrastructure, flexible domain-driven design, automated business processes and workflows, unified identity and access management, fast and secure APIs, scalable event-driven architecture, real-time monitoring, data integration and data analytics, a vast number of external integrations and a variety of mobile and web platforms that aim to transcend the hassle of physical banking and manual

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<sup>33</sup> KYC stands for know-your-customer, the mandatory process of identifying and verifying the client's identity.

<sup>34</sup> AML stands for anti-money-laundering.

financial transactions. This platform has been developed by 200 tech and IT professionals at Multitude. Over the past 19 years, Multitude has developed proprietary data and credit scoring algorithms that deliver instant credit decisions digitally and, according to the Issuer's management, allowing to make fully risk-assessed scoring at a pace and scale unmatched by traditional banking, neo banks, or the general lending industry. The management further estimates that this technology and data, paired with the regulatory experience from global operations over so many years, brings Multitude a significant competitive advantage in large scale disruption of the financial industry. In 2023, Multitude's platform served 400,000 customers in 19 countries through its internal customers SweepBank<sup>35</sup>, Ferratum and CapitalBox. As at 30 September 2024, Multitude had approximately 400,000 customers across 16 markets.

Multitude's management views that in the current banking ecosystem, data has evolved as a critical asset. A seamless customer experience will be contingent upon banks understanding customers' needs, behaviours and individual journeys. Data will be strategically used to unlock new revenue, create value and boost insightful decision-making. FinTechs typically differentiate through the wise use of data. Due to the emergence of FinTechs, the retail banking industry is rapidly embracing the mobile-centric customer experience. These developments will be beneficial for players like Multitude, i.e. the Group is in the industry forefront of the digitalisation process.

### **Macroeconomic Developments in Europe<sup>36</sup>**

According to the Eurostat statistics, seasonally adjusted GDP increased by 0.4 per cent. in the euro area and by 0.3 per cent. in the EU in the third quarter of 2024, compared with the previous six months, according to a preliminary flash estimate published by Eurostat, the statistical office of the European Union. In the second quarter of 2024, GDP had grown by 0.2 per cent. in the euro area and by 0.3 per cent. in the EU.

Also, according to Eurostat, the euro area annual inflation rate was 1.7 per cent. in September 2024, down from 2.2 per cent. in August 2024. A year earlier, the inflation rate was 4.3 per cent. European Union annual inflation was 2.1 per cent. in September 2024, down from 2.4 per cent. in August 2024. A year earlier, the rate was 4.9 per cent.

With the Russian invasion into Ukraine, starting on 24 February 2022, the war triggered a massive shock to the global economy, especially to energy and food markets, squeezing supply and pushing up prices to unprecedented levels. Compared with other economic regions, the euro area has been particularly vulnerable to the economic consequences of Russia's invasion to Ukraine. This is mainly because the euro area depends very strongly on energy imports, which accounted for more than half of the euro area's energy use in 2020. Furthermore, Russia was a key energy supplier to the euro area before the war. Russia and Ukraine also played a large role in euro area imports of food and fertilisers before the start of Russia's invasion. More generally, the euro area is a highly open economy, which makes it vulnerable to disruptions in global markets and value chains.

The war added heavily to the inflationary pressures building up in the euro area during the post-pandemic recovery and pushed up consumer prices, especially for energy and food. Headline inflation increased from 0.3 per cent. in 2020 to 2.6 per cent. in 2021 and then to 8.4 per cent. in 2022. Energy and food inflation accounted for more than two-thirds of this record-high inflation in 2022. In 2023, the inflation was 4.9 per cent. and during H1 2024, the inflation was in excess of 2 per cent.

According to Eurostat statistics, looking ahead, there are signs that the effects of the war on the euro area inflation via developments in international energy and food markets has decreased. Central banks globally are reacting now to decreasing inflationary pressures, and started reducing their respective interest rates.

### **Household Consumption Expenditure<sup>37</sup>**

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<sup>35</sup> In 2024, part of Sweep Bank's business has been rebranded and offers wholesale banking under Multitude Bank.

<sup>36</sup> Sources to this section: Eurostat database (<https://ec.europa.eu/eurostat/web/products-euro-indicators/w/2-30102024-ap>).

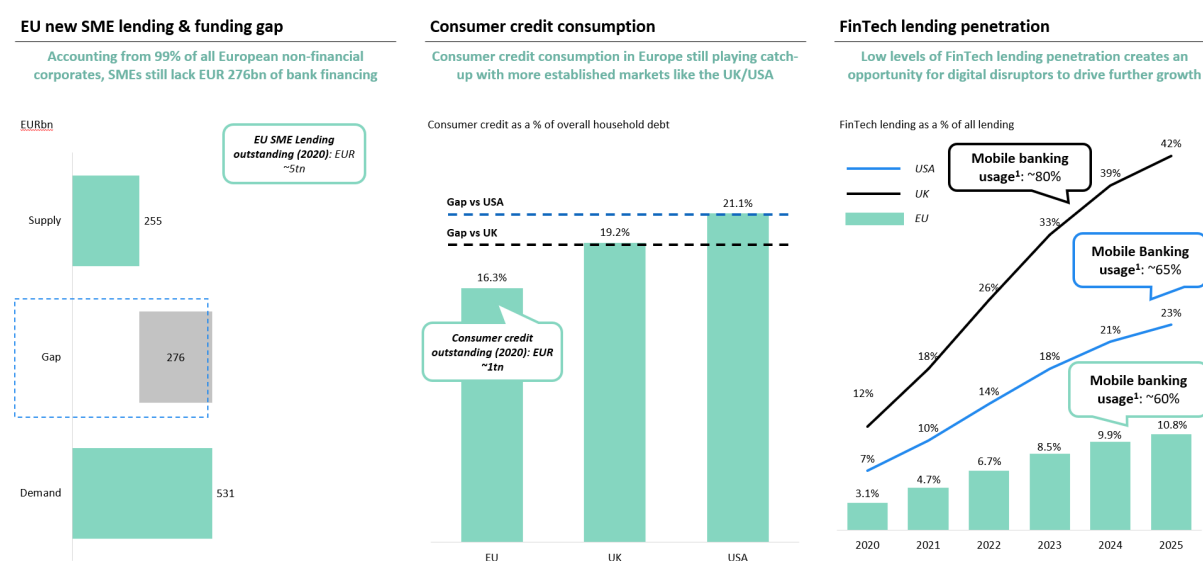
<sup>37</sup> Sources to this section: Eurostat database (<https://ec.europa.eu/eurostat/web/products-euro-indicators/w/2-26072024-ap>).

In the first quarter of 2024, household real consumption per capita increased by 0.2 per cent. in the euro area, after a slight increase of 0.1 per cent. in the previous quarter. Household real income per capita increased in the first quarter of 2024 by 1.5 per cent., after an increase of 0.7 per cent. in the fourth quarter of 2023.

## Stable European Loan Stock

Based on the observations of Multitude's management, the aggregate consumer credit stock in the EU has been growing rather steadily during the recent years and the largest growth is due to increased lending for housing purposes, in addition to which it seems that credit for consumption is growing more rapidly.

According to Multitude's management and based on data from the databases of Statista, ECB, EBA and OECD, although consumer credit consumption in Europe is still lower than in more established markets like the UK and USA, the European consumer credit market is expected to continue to increase due to overall economic improvement and rise in domestic consumption. Furthermore, based on the same data, FinTech's lending penetration has been steadily growing and it is forecasted to continue its growth and create great opportunities for digital disruptors like Multitude in the future.



Source: Statista, ECB and EBA, OECD database.

Note 1: Chart on the right: Figures for 2021, mobile banking usage expressed as % of population.

## Strong Activity in the Nordics

Based on the observations of Multitude's management, Multitude's core market, the Nordics, has experienced favourable growth in consumer lending in the past years. Consumer loan market is largest in Sweden, as a result of its larger population. However, when accounting for population, Finland and Denmark observe the highest outstanding consumer loans per capita, followed by Sweden and lastly Norway.

## FinTech Market on a Strong Growth Trajectory

According to Multitude's management, the FinTech industry is currently experiencing very beneficial market dynamics, with several new technologies disrupting traditional financial market services. There have been substantial investments into Financial Technology companies that amount to billions of dollars in the last five years. The geographical areas that are exhibiting the largest growth in investments are the US and Europe.

Smartphone penetration has also fuelled the emergence of FinTechs. Smartphones have become an integral part of people's life and people, millennials in particular, are more open to new technologies. Global FinTech revenues have been growing rapidly over the recent years and are estimated to see a continued strong growth trajectory in the coming years.

## FINANCIAL AND OTHER INFORMATION

### Historical Financial Information

The Issuer prepares its financial statements in accordance with the International Financial Reporting Standards (IFRS). The Guarantor prepares its financial statements in accordance with the Finnish Accounting Standards (FAS). The Issuer's audited financial statements for the period from 6 June 2024 to 30 June 2024 have been incorporated into this Prospectus by reference. The Issuer's financial year is from 1 January to 31 December. After its establishment, the Issuer's exceptional financial year is 6 June 2024 to 31 December 2024. Multitude prepares its consolidated financial statements in accordance with the IFRS, as adopted in the European Union. Multitude's audited consolidated financial statements as at and for the financial year ended 31 December 2023, including the audited restated<sup>38</sup> comparative consolidated financial information for the financial year ended 31 December 2022, Multitude's audited consolidated financial statements as at and for the financial year ended 31 December 2022, including the audited restated comparative consolidated financial information for the financial year ended 31 December 2021 (in each case, including the Guarantor's audited financial statements as at and for the financial year ended on 31 December 2023, including the audited comparative financial information for the financial year ended 31 December 2022 and the Guarantor's audited financial statements as at and for the financial year ended 31 December 2022, including the audited comparative financial information for the financial year ended 31 December 2021) as well as Multitude's unaudited Q3 2024 interim report, including unaudited restated comparative consolidated financial information for the nine months ended 30 September 2023, and the Guarantor's unaudited H1 2024 interim financial information<sup>39</sup>, including unaudited comparative financial information as at and for the six months ended 30 June 2023, have been incorporated into this Prospectus by reference.

Save for the Issuer's audited financial statements for the period 6 June 2024 – 30 June 2024 and Multitude's audited consolidated financial statements and the Guarantor's audited financial statements as at and for the financial years ended 31 December 2022 and 31 December 2023 incorporated by reference into this Prospectus, no part of this Prospectus has been audited.

The following is a reproduction of the auditor's other statements based on law and remarks from the auditor's report relating to Multitude's audited consolidated financial statements as at and for the financial year ended 31 December 2022:

*As required by chapter 7, section 8, paragraph 2 of the Securities Markets Act (746/2012) we state, that the half-yearly financial report for period 1 January - 30 June 2022 ("**H1 2022 Report**") has not, in our opinion, been prepared in accordance with the provisions thereon, as the half-yearly financial report has not been prepared in accordance with the same recognition and measurement principles as in the annual financial statements (Securities Markets Act (746/2012) chapter 7, section 11). Loans to customers have not been classified as current or non-current assets in accordance with the classification criteria, and cash flows arising from deposits from customers have not been classified as cash flows from financing activities, and brokerage fees, which are transaction costs directly attributable to granting of loans to customers and collecting deposits from customers, have not been accounted as an integral part of the effective interest of originated loans and deposits received.*

*We state as remarks, that as described in the Other Opinions based on Statutory Law section of our report, the half-yearly financial report for period 1 January - 30 June 2022 ("**H1 2022 Report**") has not, in our opinion, been prepared in accordance with the provisions thereon, and that neither the half-yearly financial report nor the other interim reports have been corrected without delay (Securities Markets Act (746/2012) chapter 1, section 3)).*

Multitude's management estimates that the restatement of quarters of financial year 2022 published on 9 May 2023 should provide the end user of financial information sufficient and true and fair view information of the Group's financial figures.

### Financial Performance of Multitude<sup>40</sup>

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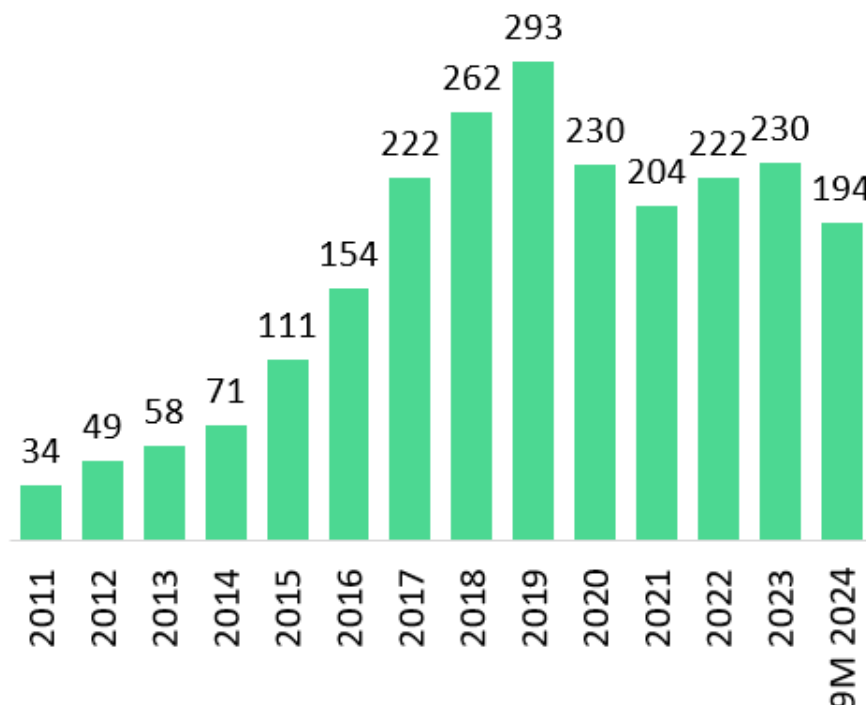
<sup>38</sup> For background and detailed calculations of restatements, please see pages 239-249 of the 2023 Annual Report incorporated by reference to this Prospectus.

<sup>39</sup> The Guarantor's unaudited H1 2024 interim financial information is prepared in accordance with the FAS.

<sup>40</sup> Save for unaudited Q3 2024 figures, all the figures in this section are audited.

As illustrated by the graph below, Multitude has seen strong growth since its establishment in 2005 with revenues reaching EUR 230.5 million in 2023, an 8.5 per cent. increase compared to the equivalent numbers in 2022. During Q3 2024 the Group's revenue was EUR 193.9 million. The Company's growth was halted in 2020 and the revenues came down by 21.7 per cent. due to discontinued countries and stricter credit policies resulting from the COVID-19.

#### Revenues (EURm) <sup>1)</sup>



1) All full year figures are audited, 30 September 2024 figure is unaudited. The figures are relatively comparable as they follow IFRS throughout the timeline but due to adoption of IFRS 9 in 2018 and late implementation of effective interest rate with inclusion of directly attributable costs via IAS 8 allowed restatement of 2021 and 2022 only.

The Group's lending activities were discontinued in 2020 in Spain, Poland, Russia, Canada, and New Zealand and in 2021 in the UK, as focus was shifted to countries with higher profitable growth potential. As a response to COVID-19 related uncertainty, the Group also adopted stricter credit policies resulting in lower lending volumes and revenues. The halted growth after 2019 was mainly due to the aforementioned factors. Impairment loss on loans to customers in 2023 increased to EUR 89.3 million (approximately EUR 73.6 million in Q3 2024), having amounted to EUR 84.6 million in 2022. Impairment loss on loans to customers includes both changes in expected credit losses and actual credit losses in the income statement according to the Group's credit policies, where the expected credit loss is recognised when a loan is paid out to customer and adjusted based on repayment behaviour while actual credit loss is write off of unrecovered receivables.

Despite the COVID-19 pandemic, the Group has steadily been able to increase sales and its risk appetite in the SweepBank and CapitalBox business units, which both have shown substantial growth since Q2 2020. Until the COVID-19 related drop in 2020, the Group's operating margin had steadily been improving during the period of 2020-2022. The operating margin's development since COVID-19 has been steady, EBIT margin in 2020 was 12 per cent., in 2021 13 per cent., in 2022 15 per cent. and in 2023 20 per cent. By the end of Q3 2024, EBIT margin was 22 per cent.

As at 31 December 2023, the Group's cash position amounted to EUR 283.7 million, having increased by EUR 130.4 million from December 2022. The change is, to a large extent, attributable to newly attracted deposits from customers. The Guarantor's cash position amounted to EUR 333 thousand as at 31 December 2023, having decreased by EUR 7.8 million from December 2022. The Group's net cash flow from operating activities has changed from EUR 71.7 million in 2021 to negative EUR 34.3 million in 2022. As at 31 December 2023, the Group's net cash flow from operating activities amounted to EUR 157.8 million, while net cash flow from financing activities and investing activities amounted to negative EUR 15.4 million and negative EUR 11.8

million, respectively. The Guarantor's net cash flow from operating activities decreased from negative EUR 6,7 million (as at 31 December 2022) to negative EUR 11.7 million (as at 31 December 2023). As at 31 December 2023, the Guarantor's net cash flow from financing activities and investing activities amounted to EUR 23.1 million and negative EUR 19.3 million, respectively (31 December 2022: negative EUR 56.2 million and EUR 28.6 million).<sup>41</sup>

By the end of Q3 2024, the Group's cash position amounted to EUR 267.1 million, net cash flow from operating activities, financing activities and investing activities to negative negative EUR 25.6 million, EUR 19.1 million and negative EUR 10.1 million, respectively. As at 30 June 2024, the Issuer's cash position amounted to EUR 50.1 million, net cash flow from operating activities and financing activities amounted to EUR 50.1 million and EUR 80 thousand, respectively.<sup>42</sup>

The Group's net investments have been relatively stable over the past years. The amount of net investments have increased during the financial year 2022 and onwards, which is primarily attributable to investments in Wholesale banking, which segment has exhibited substantial growth recently.

In April 2022 Multitude Bank issued EUR 5.1 million (EUR 5.2 million including issuance costs) of unsecured subordinated bonds. On 21 December 2023, the Guarantor issued EUR 50 million (EUR 51 million including issuance costs) of unsecured senior floating rate bonds (ISIN: NO0012702549) (the "**Guarantor Bonds**") which were refinanced and redeemed on 8 July 2024 with the proceeds from the Initial Bonds.

### **Balance sheet**

Multitude's fixed assets primarily consist of intangible assets, which relate to the Group's advanced IT platform and infrastructure, which is continuously being developed, as described above.

The vast majority of Multitude's assets are built up of loan receivables from customers and cash, with loans to customers amounting to EUR 575.9 million, debt investments amounting to EUR 62.1 million and cash standing at EUR 283.7 million in December 2023, whereas equity stood at EUR 183.6 million and total liabilities at EUR 807.2 million in December 2023. As per 31 December 2023, the deposits from customers amounted to EUR 732.4 million. Equity including subordinated capital in Multitude Bank p.l.c. amounted to EUR 186.6 million while net debt, net equity ratio and net debt to equity amounted to EUR 523.5 million, 26 per cent. and 2.85, respectively, as at 31 December 2023. As at December 2023, the Guarantor's cash amounted to EUR 333 thousand, whereas equity stood at EUR 94.6 million and total liabilities at EUR 139.7 million in December 2023.<sup>43</sup>

As at 30 September 2024, the Group's loans to customers amounted to EUR 624.7 million, cash amounted to EUR 267.1 million, deposits from customers amounted to EUR 773.4 million and debt securities amounted to EUR 76.1 million while net equity ratio and net debt to equity being 23.4 per cent. and 3.27 times, respectively. As at 30 June 2024, the Issuer's cash and total liabilities amounted to EUR 50.1 million and EUR 71.1 million, respectively.<sup>44</sup>

On 27 June 2024, the Issuer issued senior guaranteed unsecured callable floating rate Bonds with an initial principal amount of EUR 80 million in accordance with the Terms and Conditions, based on an authorization by the Board of Directors on 30 May 2024. Under the Terms and Conditions, the Issuer further issued subsequent senior guaranteed unsecured callable floating rate Bonds with an aggregate principal amount of EUR 20 million on 17 December 2024, based on an authorization by the Board of Directors on 16 December 2024.

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<sup>41</sup> All the figures as at 31 December are audited.

<sup>42</sup> The Group's Q3/24 figures are unaudited, the Issuer's H1/24 figures are audited.

<sup>43</sup> All the figures as at 31 December 2023 are audited.

<sup>44</sup> The Group's Q3/24 figures are unaudited, the Issuer's figures are audited.

## Key Figures

The following tables illustrate the Issuer's, the Guarantor's and the Group's key figures for the periods indicated.

### *The Issuer*

	As at and for the 6 June 2024 – 30 June 2024 period As at 30 June 2024 (audited)
<b>(EUR in millions, unless otherwise indicated)</b>	
<b>KEY FIGURES</b>	
Revenue	0.02
Profit or loss	-0.11
Share capital	0.08
Total liabilities	71.1
Total assets	71.1

### *The Guarantor*

	As at and for the six-month period ended 30 June		As at and for the year ended 31 December	
	2024 (unaudited)	2023 (unaudited)	2023 (audited)	2022 (audited)
<b>(EUR in millions, unless otherwise indicated)</b>				
<b>KEY FIGURES</b>				
Revenue	-10.1	-11.3	15.4	11.9
Profit or loss	-1.2	-4	6.3	-9.3
Share capital	40.2	40.1	40.1	40.1
Total liabilities	137.3	119.6	139.7	120
Total assets	226.7	203.8	234.3	210.8

### *The Group*

	As at and for the nine- month period ended 30 September		As at and for the year ended 31 December	
	2024 (unaudited)	2023 (unaudited restated)	2023 (audited)	2022 (audited restated)
<b>(EUR in millions, unless otherwise indicated)</b>				
<b>KEY FIGURES</b>				
Revenue	193.9	168.5	240.6	222.1
Profit or loss	12.7	12.5	16.4	11.8
Share capital	40.2	40.1	40.1	40.1
Total liabilities	880.1	635.2	807.2	573.3
Total assets	1,067.8	819.5	990.9	753.2

## Key Financial Agreements

### *Agency Agreement*

In connection with the Initial Bond Offering, the Issuer has entered into an Agency Agreement with Nordic Trustee & Agency AB (publ), under which Nordic Trustee & Agency AB (publ) has undertaken to act as an agent and representative of the Bondholders and perform custodial and administrative functions relating to the Bonds.

### *Guarantee and Adherence Agreement*

The Guarantor has with the Agent entered into a guarantee and adherence agreement dated 26 June 2024 whereby the Guarantor has in accordance with the terms of the Guarantee and Adherence Agreement unconditionally and irrevocably guaranteed to the Bondholders and the Agent the punctual performance of all present and future payment obligations and liabilities of the Issuer under the Finance Documents, including for the avoidance of

doubt the Terms and Conditions, and undertaken to adherence to the Terms and Conditions. The Guarantee is shared among the Bondholders and the Agent.

### Alternative Performance Measures

The Issuer presents in this Prospectus certain performance measures, which in accordance with the “*Alternative Performance Measures*” guidelines by the European Securities and Markets Authority (“ESMA”) are not accounting measures of historical financial performance, financial position and cash flows, defined or specified in IFRS, but which are instead alternative performance measures. In the Issuer’s view, alternative performance measures provide meaningful supplemental information about the Group to the management, investors, securities market analysts and others regarding the Group’s results of operations, financial position and cash flows.

These alternative performance measures (and their descriptions) are:

- Net debt to equity (a measure of a company's financial leverage that indicates how encumbered a company is with debt)
- Net equity ratio (a ratio that indicates the total assets funded by the shareholders compared to the creditors)
- Equity including subordinated capital (a measure that includes the Group's total equity plus Tier 2 equity from Multitude Bank)
- Net debt (a measure that shows how much debt a company has on its balance sheet compared to its liquid assets)
- EBIT margin (a measure of a company's operating profit as a percentage of its revenue)

For detailed calculation formulas, see “*Calculation of Certain Alternative Performance Measures*” below.

### Calculation of Certain Alternative Performance Measures

Alternative performance measures	Calculation	Purpose of Use
Net debt to equity	(Total liabilities – cash and cash equivalents) / Total equity	Ratio helps to understand the balance between the capital provided by lenders and shareholders, indicating the company's leverage and financial stability.
Net equity ratio	Total equity / Total assets * 100	Measure is used to give a better understanding of the company's capital structure by showing the proportion of equity financing relative to total assets.
Equity including subordinated capital	Total equity + Net Tier 2 equity in Multitude Bank <sup>45</sup>	This measure is presented to give a better understanding of the company's total equity, including both common equity and subordinated capital.
Net debt	Total liabilities – cash and cash equivalents	Figure provides insight into the total capital made available by lenders, minus cash and cash equivalents, giving a clear picture of the company's indebtedness.
EBIT margin	EBIT / total interest income	Measure of relative performance is used to evaluate the development of profitability.
EBIT	Profit for the period + Income tax + Interest expense + Fair value and foreign exchange gains and losses	This measure is used to assess the company's operational performance by showing earnings generated from core business activities, excluding the effects of financing and tax expenses.

<sup>45</sup> Net Tier 2 equity in Multitude Bank includes Multitude Bank p.l.c.'s subordinated bonds owned by the Guarantor.



Alternative performance measures used by companies may differ from company to company and the calculation formulas used by companies may not be uniform. Therefore, the alternative performance measures presented in this Prospectus may not be comparable with similarly titled measures presented by other companies.

### **No Material Adverse Change in the Prospects**

Since 30 June 2024, the last day of the financial period in respect of which the most recently audited financial statements of the Issuer have been prepared, there has been no material adverse change in the prospects of the Issuer.

Since 31 December 2023, the last day of the financial period in respect of which the most recently audited financial statements of the Group and the Guarantor have been prepared, there has been no material adverse change in the prospects of the Group or the Guarantor.

### **No Significant Change in the Financial Performance or Financial Position**

There has been no significant change in the financial performance or the financial position of the Issuer since 30 June 2024, which is the end of the last financial period for which financial information has been published.

Other than the issue of the Subsequent Bonds, there has been no significant change in the financial performance or the financial position of (i) the Group since 30 September 2024, which is the end of the last financial period for which the Group's financial information has been published nor (ii) the Guarantor since 30 June 2024, which is the end of the last financial period for which the Guarantor's financial information has been published.

Other than the issue of the Bonds and refinancing and redemption of the Guarantor Bonds with the proceeds from the Bonds, there has been no significant change in the financial performance or the financial position of the Guarantor since 31 December 2023, which is the last day of the financial period in respect of which the most recently audited financial statements of the Guarantor have been prepared.

### **Share Capital and Ownership Structure**

As at the date of this Prospectus, the Issuer has issued a total of 80,000 ordinary shares and has a registered share capital of EUR 80,000.00 which is fully paid. The sole shareholder of the Issuer is the Guarantor, Multitude P.L.C., which is also the parent of the whole Group.

As at the date of this Prospectus, the Guarantor has issued a total of 21,723,960 ordinary shares and has a registered share capital of EUR 40,189,326.00 which is fully paid.

The main shareholder of the Guarantor is the CEO, Jorma Jokela. The Guarantor's 4 biggest shareholders are presented below with their respective ownership participation percentage as at the date of this Prospectus:

#### **Shareholders of Multitude P.L.C.**

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Jorma Jokela	55.34 %
Lemanik Holding S.A.	5.20 %
Board of Directors and Leadership Team	3.50 %
Multitude PLC	0.73 %
Other shareholders	35.23 %
<b>Total</b>	<b>100.00 %</b>

## SUMMARY OF RECENT DISCLOSURES

*The following summary sets forth information disclosed by Multitude pursuant to the Market Abuse Regulation (EU) No 596/2014 (“MAR”) over the last 12 months preceding the date of this Prospectus, which is to the Issuer’s knowledge still relevant as at the date of this Prospectus. The summary does not discuss periodic financial reporting nor other disclosure obligations not pertaining to MAR. Therefore, the summary is not exhaustive and does not discuss all stock exchange releases issued by the Guarantor during the above-mentioned period of time.*

*The below section contains forward-looking statements. Forward-looking statements do not guarantee future development, and the actual market development of Multitude, the financial performance of Multitude or the financial results actually achieved may materially differ from what has been presented in or what can be concluded from the forward-looking statements as a result of many factors, some of which are described in the sections “Forward-Looking Statements” and “Risk Factors”. The Issuer advises to take a cautious view on these forward-looking statements, which were valid only as at the date of the relevant release.*

### **Multitude SE's transfer of registered office from Finland to Malta completed**

On 5 January 2024, Multitude SE announced that it was planning a relocation from Finland to Switzerland, while maintaining its legal personality. Finnish law does not allow for direct relocation outside of the European Economic Area, while perserving a company's legal personality. Therefore, Multitude SE planned to relocate in phases, by first transferring its registered office from Finland to Malta in accordance with Article 8 of the the Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE) (SE Regulation), then converting the company into a public limited liability company governed by the laws of Malta pursuant to Article 66 of the SE Regulation, and finally applying to have the company registered in Switzerland pursuant to applicable Maltese and Swiss laws.

The motivation for Multitude SE's relocation out of Finland was for reasons related to shareholder rights. Previously, in 2021, Multitude SE prepared a transfer of registered office pursuant to the SE Regulation from Finland to Germany, but it is no longer considering the transfer.

On 1 July 2024, Multitude SE announced that it had completed the transfer of its registered office from Finland to Malta pursuant to with Article 8 of the SE Regulation. Following the transfer, Multitude SE is now registered with the Malta Business Registry. Although, Multitude SE's shares were given a new ISN, WKN and trading symbol, the listing of its shares on the regulated market (Prime Standard) of the Frankfurt Stock Exchange were not affected and the shares continue to be traded under the new symbol. As a result, Multitude SE's shares were removed from the Finnish book-entry system and the issuer central securities depository changed from Euroclear Finland Oy to the CSD operated by the Malta Stock Exchange. The transfer has been stated to be the first phase of Multitude SE's relocation to Switzerland.

As the transfer from Finland to Malta has been completed, Multitude SE is now planning a conversion into a public limited liability company governed by the laws of Malta in accordance with Article 66 of the SE Regulation, followed by a redomiciliation to Switzerland pursuant to applicable Maltese and Swiss laws.

### **The redemption of Multitude SE's senior notes and the issuance of Multitude Capital Oyj's senior notes**

On 13 June 2024, Multitude SE announced its intention to voluntarily redeem all its outstanding senior unsecured floating rate bonds due in December 2025 (call option) in accordance with the terms and conditions of the bonds. The redemption took place on 8 July 2024 being in the amount of 103.75 per cent. of the nominal amount of the bonds plus accrued but unpaid interest. The record date, according to which the bondholders were paid, was on 1 July 2024. The redemption was conditional upon Multitude SE's wholly owned Finnish subsidiary, Multitude Capital Oyj, successfully issuing its new senior guaranteed unsecured callable floating rate bonds.

On the same day, Multitude announced that Multitude Capital Oyj, a wholly owned Finnish subsidiary of Multitude SE, had successfully placed EUR 80 million in senior guaranteed unsecured bonds (ISIN: NO0013259747) maturing in July 2028. The guarantee was granted by Multitude SE. On 8 July 2024, the net proceeds from the new bonds were used towards refinancing Multitude SE's outstanding senior bonds maturing in December 2025 (ISIN: NO0012702549), and general corporate purposes of the Group. The new bonds were expected to receive a 'B+' rating by Fitch Ratings following receipt of the final issue documents.

### **Extraordinary General Meetings of Multitude P.L.C. approved the company's conversion into a public limited liability company (at the time Multitude SE) and the company's redomiciliation to Switzerland**

On 21 August 2024, Multitude SE announced that at an Extraordinary General Meeting held on 21 August 2024, the shareholders approved the conversion of the company from a *societas europaea* to a public limited liability company in accordance with Council Regulation (EC) No. 2571/2011, as amended. The conversion included the change of the company's name to Multitude P.L.C. and the substitution of the current memorandum and articles of association with the updated versions.

The shareholders are reminded that the resolution regarding the company's redomiciliation from Malta to Switzerland was withdrawn from the agenda of the August EGM. A fresh proposal regarding the redomiciliation will be considered at another extraordinary general meeting on 5 September 2024.

On 5 September 2024, Multitude P.L.C. announced that at an Extraordinary General Meeting held on 5 September 2024, the shareholders approved all extraordinary resolutions related to the redomiciliation of the company from Malta to Zug, Switzerland. This process is in accordance with the Continuation of Companies Regulations (Subsidiary Legislation 386.05 of the laws of Malta) and Swiss law, specifically the Swiss International Private Law Act. The redomiciliation is subject to conditions outlined in the Notice of Extraordinary General Meeting dated 14 August 2024.

The full minutes of the September EGM, detailing the adopted extraordinary resolutions, are available on the company's website.

### **Multitude SE's conversion into a public limited liability company is complete**

On 18 September 2024, Multitude P.L.C. announced the completion of its conversion from a *societas europaea* to a Maltese public limited liability company, effective 3 September 2024. Consequently, the company's name changed from Multitude SE to Multitude P.L.C., and its registration number with the Malta Business Registry changed from SE 21 to C 109441.

Despite the conversion, the company's LEI number, ISIN, and WKN of its ordinary shares remain unchanged.

### **Multitude Bank p.l.c. acquires a strategic stake in Lea Bank ASA**

On 10 October 2024, Multitude P.L.C. announced that its subsidiary, Multitude Bank p.l.c., has acquired a 9.9 per cent. stake in Lea Bank ASA, a Norwegian digital consumer finance bank. Additionally, Multitude Bank has signed an agreement to acquire a further 8.7 per cent. stake, subject to approval by the Norwegian Financial Authority, potentially making Multitude Group the largest shareholder with an 18.6 per cent. stake.

This strategic investment of approximately EUR 15 million aligns with Multitude's growth ambitions and commitment to expanding its business model through organic growth, partnerships, and acquisitions. Lea Bank, founded in 2016, operates in consumer loans and deposit products across Nordic countries and Spain, serving over 70,000 customers. The acquisition is expected to provide attractive financial returns and opportunities for strategic cooperation.

Jorma Jokela, CEO of Multitude, expressed satisfaction with the transaction, highlighting its alignment with Multitude's vision to build a valued financial platform for overlooked customers. Antti Kumpulainen, CEO of Multitude Bank, emphasized the complementary nature of Lea Bank and Multitude Bank, focusing on digital innovation and operational efficiency.

### **Transition plan for the change of the CEO**

On 14 November 2024, Multitude P.L.C. announced a CEO transition plan. Jorma Jokela, CEO and founder, will step down as Chief Executive Officer by the end of year 2024. The Board of Directors has appointed Mr. Antti Kumpulainen as the new CEO, effective 1 January 2025.

Jokela, who founded the company nearly 20 years ago, will focus on high-impact strategic projects, partnerships, acquisitions, and mentoring key talent in his new role within a subsidiary. He will also continue to serve on the board of directors for both Multitude Group and Multitude Bank p.l.c.

The Board of Directors has appointed Mr. Antti Kumpulainen, currently CEO of Multitude Bank p.l.c., as Jokela's successor. Kumpulainen has been with Multitude for nine years and has held various leadership roles, including Chief Risk Officer in the Finnish banking and financial sector.

Ari Tiukkanen, Chairman of the Board of Directors, expressed confidence in Kumpulainen's ability to guide Multitude's next phase, citing his strong performance and experience.

## BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS OF THE ISSUER

### General

Pursuant to the provisions of the Finnish Companies Act and the Issuer's Articles of Association, responsibility for the control and management of the Issuer is divided between the governing bodies of the Issuer, including the General Meeting of Shareholders and the Board of Directors. The sole Shareholder of the Issuer, Multitude P.L.C., participates in the control and management of the Issuer through resolutions passed at General Meetings of Shareholders. General Meetings of Shareholders are generally convened upon notice given by the Board of Directors. In addition, General Meetings of Shareholders are held when requested in writing by an auditor of the Issuer or by shareholders representing at least one-tenth of all the outstanding shares in the Issuer.

In its corporate governance, decision making and administration, the Issuer complies with the Finnish Companies Act, the Finnish Securities Markets Act (746/2012, as amended) and other laws and regulations applicable to listed debt instruments as well as the Issuer's Articles of Association. The Company also complies with the rules and regulations of Frankfurt Stock Exchange (Frankfurter Wertpapierbörse) and the rules of Nasdaq Stockholm applicable to issuers of debt instruments listed on the corporate bond list of Nasdaq Stockholm.

The business address of the Board of Directors of the Issuer is Ratamestarinkatu 11 A, FI-00520 Helsinki, Finland.

### Board of Directors

The Board of Directors supervises the Issuer's operations and management, deciding on significant matters concerning the company strategy, investments, organization and finance.

Under the Issuer's Articles of Association, the Issuer's Board of Directors consists of a minimum of one (1) and a maximum of five (5) ordinary members. In case the Board of Directors consists of less than three ordinary members, the Board of Directors shall elect at least one deputy member. As at the date of this Prospectus, the Board of Directors of the Issuer consists of the following persons:

<b>Name:</b>	<b>Membership in other Board of Directors:</b>
<b>Bernd Egger</b> Born 1971, M.Sc. in Business Administration, M.Sc. in Finance + MBA <b>Member 2024-</b>	<i>mPAY24 GmbH</i> , Co-Owner, Managing Director <i>Paysafecard Group</i> , CFO and a member of the Board 2008-2015 <i>Volksbank International AG</i> (currently Sberbank Europe AG), a member of the Executive Board 1999-2007
<b>Lucian-Ioan Gagea</b> Born 1987, B.Sc in Business <b>Deputy Member 2024-</b>	<i>N/A</i>

### Chief Executive Officer and Management Group

The Issuer does not have a Chief Executive Officer nor a separate management team from the Group.

### Conflicts of Interest

The sole member of the Board of Directors, Bernd Egger, is dependent on Multitude for the reason explained below and independent on the Issuer and of significant shareholders of the Issuer and Multitude.

Bernd Egger does have a service contract with Multitude and is therefore dependent on Multitude. Bernd Egger has served as a member of the Board of Directors of the Issuer since 2024. Further, Bernd Egger holds a minority stake in the Guarantor.

The deputy member of the Board of Directors, Lucian-Ioan Gagea, has an employment contract with one of the Group companies and is therefore dependent on Multitude. Furthermore, Lucian-Ioan Gagea holds a minority stake in the Guarantor. He is independent of the Issuer and of significant shareholders of the Issuer and Multitude.

As at the date of this Prospectus, the sole member nor the deputy member of the Board of Directors do not have conflicts of interest between their duties relating to the Issuer or Multitude and their private interests and/or their other duties.

### **Auditors**

The Issuer's audited special purpose financial statements for the financial period ended 30 June 2024, incorporated into this Prospectus by reference, have been audited by PricewaterhouseCoopers Oy (Authorised Public Accountants) with Jukka Paunonen, Authorised Public Accountant (KHT), as the auditor with principal responsibility.

By signing of the memorandum of association dated on 30 May 2024, the sole Shareholder of the Issuer elected PricewaterhouseCoopers Oy as the Company's auditor. Jukka Paunonen, Authorised Public Accountant, is the Issuer's auditor with principal responsibility. The registered address of PricewaterhouseCoopers Oy is PL 1015, FI-00101 Helsinki, Finland. Authorised Public Accountant Jukka Paunonen is registered into the public register of authorised auditors maintained by the Finnish Patent and Registration Office.

## BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS OF THE GUARANTOR

### General

Pursuant to the provisions of the Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE), the Maltese Companies Act (chapter 386 of the laws of Malta) (the "**Maltese Companies Act**"), other relevant legislation concerning European companies listed on a regulated market and the Guarantor's Articles of Association, responsibility for the control and management of the Guarantor is divided between the governing bodies of the Guarantor, including the General Meeting of Shareholders, the Board of Directors, the Chief Executive Officer (CEO) and the Management Group. Shareholders of the Guarantor participate in the control and management of the Guarantor through resolutions passed at General Meetings of Shareholders. General Meetings of Shareholders are generally convened upon notice given by the Board of Directors. In addition, General Meetings of Shareholders are held when requested in writing by an auditor of the Guarantor or by shareholders representing at least one-tenth of all the outstanding shares in the Guarantor.

In its corporate governance, decision making and administration, the Guarantor complies with the Maltese Companies Act and other laws and regulations applicable to listed debt instruments as well as the Guarantor's Articles of Association. The Guarantor also complies with the rules and regulations of Frankfurt Stock Exchange (Frankfurter Wertpapierbörse).

The business address of the members of the Board of Directors, the Chief Executive Officer and the other members of the Management Group is ST Business Centre, 120, the Strand Gzira, GZR 1027 Malta.

### Board of Directors

The Board of Directors supervises Multitude's operations and management, deciding on significant matters concerning the company strategy, investments, organisation and finance.

At the date of this Prospectus, the Board of Directors of Multitude consists of the following persons:

<b>Name:</b>	<b>Memberships in other Boards of Directors:</b>
<b>Ari Tiukkanen</b> Born 1961, B.Sc. in Engineering <b>Chairman 2023 –</b> <b>Member 2023 –</b>	<b>Membership in other Boards of Directors:</b> <i>Suomen Joustava Oy (Chairman of the Board of Directors)</i> <i>Multitude International Services Oy (Member of the Board of Directors)</i>
<b>Marion Khüny</b> Born 1961, Diploma Degree in Business Administration <b>Member 2024-</b>	<b>Membership in other Boards of Directors:</b> <i>Valiant Holding AG (Member of the supervisory board)</i> <i>Erste Group Bank (Member of the supervisory board)</i>
<b>Goutam M. Challagalla</b> Born 1964, PhD <b>Member 2019 –</b>	<b>Membership in other Boards of Directors:</b> <i>N/A</i>
<b>Kristiina Leppänen</b> Born 1969, MBA <b>Member 2022 –</b>	<b>Membership in other Boards of Directors:</b> <i>N/A</i>
<b>Lea Liigus</b> Born 1972, Master of Laws <b>Member 2006 –</b>	<b>Membership in other Boards of Directors:</b> <i>Ferratum Capital Oy (Member of the Board of Directors)</i> <i>LL Capital Investments OÜ (Member of the Management Board)</i> <i>LL Rent OÜ (Member of the Management Board)</i> <i>LLL Holding Invest OÜ (Member of the Management Board)</i>

**Jorma Jokela**  
Born 1979, eMBA  
**Member 2005 –**

**Membership in other Boards of Directors:**  
*Jokela Capital Oy (Member of the Board of Directors)*  
*JT Capital Limited (Member of the Management Board)*  
*Jokela Capital OÜ (Member of the Management Board)*

## **Board Committees**

The Board of Directors of Multitude has established three (3) permanent committees; an audit committee, a people and culture committee and a risk committee. The minimum number of members is three in all the committees. The Board has confirmed written charters for the committees. The committees report on their work regularly to the Board, but they do not have decision-making powers independent from the Board.

### ***Audit Committee***

The audit committee is established to ensure the proper functioning of corporate governance, in particular to ensure the overseeing of the accounting and financial reporting, the Guarantor's internal control systems and work of external auditors.

In addition, the committee assists the Board of Directors in other duties related to the committee's work as specified by the Board. The purpose of the committee is to assist the Board by preparing the committee-dedicated matters for the Board.

The members of the committee must be sufficiently qualified to perform the responsibilities of the committee and at least one member shall have expertise specifically in accounting or auditing. The members of the committee shall not participate in the daily management of the Guarantor or other companies or foundations consolidated in the consolidated financial statements. Further, the majority of the members of the committee shall be independent of the Guarantor and at least one of the members shall be independent of significant shareholders.

The external auditors and Chief Financial Officer attend the committee meetings on a regular basis. Other senior executives attend the meetings as invited by the committee.

As at the date of this Prospectus, the audit committee consisted of Kristiina Leppänen (chairwoman), Ari Tiukkanen and Marion Khüny.

### ***People and Culture Committee***

The Board of Directors of Multitude has appointed a people and culture committee among the Directors. The Board of Directors has confirmed the central duties and operating principles of the committee in a written charter. The people and culture committee reports regularly on its work to the Board.

The task of the people and culture committee is to ensure the proper functioning of corporate governance, in particular, to ensure the efficient preparation of matters pertaining to the remuneration of the members of the Board, the CEO and other executives of the Guarantor as well as the remuneration schemes of the personnel. In addition, the committee assists the Board in other duties related to the committee's work as specified by the Board.

The purpose of the committee is to assist the Board by preparing the committee dedicated matters for the Board. The members of the committee must be sufficiently qualified to perform the responsibilities of the committee.

The people and culture committee prepares the following matters for the Board, and where the matter calls for a decision, the committee prepares decision proposals to the Board:

- compensations, pensions, benefits and other material terms of the contract of the members of the Board, the CEO and the leadership team;
- incentive and retention plans of the Board, the CEO and the leadership team;
- the CEO's and the other executives' performance reviews;



- assessment and development of the HR policy and leadership;
- equity-based incentive plans;
- the principles of the Guarantor's compensation policies;
- the management's participation in the boards' of directors of the Group companies and of external companies; and
- major organizational changes.

In addition, the committee shall answer questions related to the remuneration policy and the remuneration statement at the General Meeting. The committee may also discuss other matters and duties appointed to it by the Board.

As at the date of this Prospectus, the people and culture committee consisted of Ari Tiukkanen (chairman), Jorma Jokela and Goutam M. Challagalla.

### **Risk Committee**

The risk committee is established to ensure that risks are identified, monitored and can be managed. In addition, the committee assists the Board in other duties related to the committee's work as specified by the Board.

The purpose of the committee is to assist the Board by preparing the committee-dedicated matters for the Board. The members of the committee must be sufficiently qualified to perform the responsibilities of the committee.

As at the date of this Prospectus, the risk committee consisted of Marion Khüny (chairman), Kristiina Leppänen, and Ari Tiukkanen.

### **Chief Executive Officer and Management Group**

The Guarantor's Board of Directors appoints the Chief Executive Officer. The Chief Executive Officer is responsible for the Group's financial performance, for organizing the business operations as well as administration in accordance with applicable legislations and instructions and orders given by the Guarantor's Board of Directors. The Chief Executive Officer provides information to the Board of Directors in respect of, among others, Multitude's financial situation and changes in its business environment. At the date of this Prospectus, the CEO of Multitude is Jorma Jokela.

In the operative management of the Group, the CEO is assisted by other members of the Group's management. At the date of this Prospectus, the management group consists of the following persons:

<b>Name:</b>	<b>Background:</b>
<b>Jorma Jokela</b> Born 1979, eMBA <b>Founder, Chief Executive Officer 2005 –</b> <b>Member of the Management Team 2005 –</b>	<i>Jokela Capital Oy</i> , CEO, 1998-2000 <i>Jokela Capital Oy</i> , Chairman of the Board of Directors 2007- <i>Minuntalli Oy</i> , Chairman of the Board of Directors 2012-2020 <i>Tinozza Oy</i> , a member of the Board of Directors 2011-2021 <i>JT Capital Limited</i> , a member of the Board 2015- <i>Jokela Capital OÜ</i> , a member of the Board 2007-
<b>Bernd Egger</b> Born 1971, M.Sc. in Business Administration, M.Sc. in Finance + MBA <b>Chief Financial Officer 2019 –</b> <b>Member of the Management Team 2019 –</b>	<i>mPAY24 GmbH</i> , Co-Owner, Managing Director <i>Paysafecard Group</i> , CFO and a member of the Board 2008-2015 <i>Volksbank International AG</i> (currently Sberbank Europe AG), a member of the Executive Board 1999-2007

**Lea Liigus**  
Born 1972, Master of Laws  
**Chief Legal and Compliance Officer 2006 – Member of the Management Team 2006 –**

*LL Capital Investments OÜ*, a member of the Board 2010-  
*LL Rent OÜ*, a member of the Board 2016-  
*LLL Holding Invest OÜ*, a member of the Board 2021-  
*Estonian Business School*, Tallinn, Lecturer (Contract and Commercial Law) 2001-2003  
*Sorainen Law Offices*, Tallinn, Attorney-At-Law 2003-2006

**Shaun Vella**  
Born 1984, E.M.Sc. in Business Administration, B.Sc. in Psychology  
**Chief HR Officer 2021 – Member of the Management Team 2020 –**

*Multitude SE*, Senior HRBP 2019, Deputy Head of HR 2020-  
*Foster Clark*, HR Officer 2005-2007, HRBP 2015-2019  
*McDonald's*, HR Manager 2013-2015  
*CoCa-Cola*, HR Officer 2008-2012  
*Kempinski*, Designate HR Manager 2007-2008

**Clemens Krause**  
Born 1962, PhD in Business Administration  
**Chief Risk Officer 2019 – 2020 & 2022 – Member of the Management Team 2012 – 2020 & 2022 –**

*Pactum Collections GmbH*, Managing Director 2022-  
*Multitude SE*, CFO 2012-2019, CRO 2019-2020, a member of the Board 2020-2022  
*Multitude Bank p.l.c.*, a member of the Board 2018-  
*Excellence Wealth Management GmbH*, Managing Director 2008-  
*Pactum Collections GmbH*, Managing Director 2017-2021  
*Ferratum Capital Germany GmbH*, Managing Director 2013-2019  
*Unternehmensberatung*, Senior Manager 2007-2008  
*Commerzbank*, CFO for Retail Banking & Head of Business Development 2007-2007  
*GE Money Bank*, Head of Wealth Management, General Representative 2004-2007  
*E\*Trade Bank AG*, CFO, a member of the Board 2001-2003  
*E-Loan Europe N.V.*, CFO 2000-2001  
*Deutsche Bahn*, Head of Project and Equity Financing 1999-2000  
*Bankgesellschaft Berlin*, Director in Corporate and Project Finance, Executive Assistant 1994-1999

**Kristjan Kajakas**  
Born 1981, B.Sc. in Business Administration  
**Tribe CEO for Ferratum Member of the Management Team 2020 –**

*Multitude SE*, Regional Director for a number of Eastern European countries 2010-2016, Global Business owner – revolving products 2016-2021  
*AS SEB Pank*, Client Executive 2009-2010  
*Alpek FL OÜ*, Manager 2004-2009

**Adam Tönning**  
Born 1991, FBL with IMD, B.Sc. (Econ, not completed)  
**Chief Financial Planning Analyst 2016 – Member of the Management Team 2016 –**

*Multitude SE*, various positions, including Finance Manager – West Europe & APAC 2010  
*Six News*, Equities Reporter 2010-2012

**Alain Nydegger**  
Born 1984, B.Sc. in Business Administration, EMBA  
**Tribe CEO for Wholesale Banking 2024- Member of the Management Team 2024-**

*Pala Assets Ltd*, various positions (inclu. Chief Executive Officer 2022-2024 and Portfolio Manager 2013-2022) 2013-2024  
*Blue Genesis AG*, Founding Partner 2021-  
*21Celsius Ventures*, Founding Partner 2020-  
*Spacewise*, Non-Executive Board Member, 2023-2024  
*Bridport & cie sa*, Institutional Sales Fixed Income 2009-2013  
*Pictet & Cie., Banquiers*, Junior Portfolio Manager 2007-2009

**Antti Kumpulainen**

*Multitude Bank p.l.c.*, various positions 2018-

Born 1980, Bachelor of Agriculture and Forestry in Forest Economics  
**CEO, Multitude Bank p.l.c. 2022 –**  
**Member of the Management Team 2020 –**

*Ferratum group*, Business Unit Director Instalment Loans 2018-2019  
*Multitude SE*, Country Manager (Finland) 2016-2018  
*Suomen Koivumaila Oy*, a member of the Board of Directors 2015  
*Elisa Finance*, Chief Risk Officer 2014-2016  
*Ab Compass Card Oy*, Credit Manager/Department Manager 2007-2014  
*Sampo Bank Plc*, Service Manager (credit cards and consumer lending) 2003-2007

**Lasse Mäkelä**  
Born 1971, BSc of Banking and International Finance, EMBA  
**Chief Strategy and IR Officer 2022 –**  
**Member of the Management Team 2022 –**

*Multitude SE*, Head of Mergers & Acquisitions (M&A) 2021-2022  
*Etiko Brewing Oy*, Chairman of the Board of Directors 2021-  
*Oy Itämeren Portti – Östersjö Port Ab*, a member of the Board of Directors 2020-2021, Chairman of the Board of Directors 2021-  
*Invesdor*, Founder and a member of the Board 2012-, CEO 2012-2020  
*Larzon Capital Oy*, Founder and CEO 2011-  
*Corbel OY*, CFO 2012-2013  
*Consti Group*, Director, M&A, Finance and Bus.Dev. (shared CFO responsibility), a member of Management Group 2009-2012  
*KONE Corporation*, Vice President, Alliances and Acquisitions 2005-2009  
*ICECAPITAL Securities Ltd*, Director, Partner 2001-2005  
*Merril Lynch*, Associate 1997-2001  
*Royal Bank of Canada*, Analyst 1996-1997

**Kornel Kabele**  
Born 1976, Master's Degree in Architecture  
**Chief Technology Officer 2021-**  
**Member of the Management Team 2021 –**

*Multitude SE*, Software & QA Engineering Chapter Lead 2018-2021  
*Multitude SE*, Head of Java Development 2017-2018  
*First Data Corporation*, various positions 2007-2017  
*Slovenska Sporitelna*, Project Manager 2005-2007  
*iCube Studio, Ltd.*, Project & Development Lead / Co-Founder 2022-2005  
*IAV Cyberwox*, Head of New Media Division, 2001-2022  
*Tinshack Pty. Ltd*, Project Manager / Lead Developer 2000-2001

**Mantvydas Štareika**  
Born 1986, Bachelor's Degree in Law, Master's Degree in Business Administration  
**Tribe CEO for CapitalBox 2022 –**  
**Member of the Management Team 2022 –**

*SME Bank*, CEO and a member of the Board 2021-2023  
*Coface*, CEO and Commercial Director roles 2014-2021, Director of Debt collection department 2007-2010  
*Coface Lithuania*, Director of Marketing and Sales Department 2010-2014  
*Gelvora*, Debt collection manager 2006-2007

## Conflicts of Interest

Two out of six members of the Board, i.e. Jorma Jokela and Lea Liigus, are dependent on Multitude for reasons explained below. Jorma Jokela is also dependent of significant shareholders as he holds, directly and indirectly through corporations over which he exercises control, 55.31 per cent. of Multitude's shares. The remaining Board members, i.e. Ari Tiukkanen, Goutam M. Challagalla, Marion Khüny and Kristiina Leppänen, are independent of Multitude and of significant shareholders of Multitude.

Jorma Jokela, CEO, and Lea Liigus, Chief Legal and Compliance Officer, have service contracts with Multitude and are therefore dependent on Multitude. Both of them have also served as Directors for more than ten consecutive years.

Further, several members of the management group hold minority stakes in Multitude.

As at the date of this Prospectus, the members of the Board of Directors, the CEO or the members of the management team do not have conflicts of interest between their duties relating to Multitude and their private interests and/or their other duties.

### **Auditors**

The consolidated financial statements of Multitude for the financial year ended 31 December 2023 incorporated into this Prospectus by reference have been audited by PricewaterhouseCoopers Oy (Authorised Public Accountants) with Jukka Paunonen, Authorised Public Accountant (KHT), as the auditor with principal responsibility. The consolidated financial statements of Multitude for the financial year ended 31 December 2022 incorporated into this Prospectus by reference have been audited by PricewaterhouseCoopers Oy (Authorised Public Accountants) with Jukka Karinen, Authorised Public Accountant (KHT), as the auditor with principal responsibility.

The Extraordinary General Meeting of the Guarantor held on 21 March 2024 resolved to approve the Guarantor's Board of Directors' proposal to appoint PricewaterhouseCoopers Malta as the Guarantor's auditor. Stephen Mamo, Authorised Public Accountant, is the Guarantor's auditor with principal responsibility. The registered address of PricewaterhouseCoopers Malta is 78 Mill Street, Zone 5, Central Business District, Qormi, CBD 5090, Malta. Stephen Mamo, Authorised Public Accountant, is registered into the public register of authorised auditors maintained by the Accountancy Board of Malta.

## **ARRANGEMENTS WITH THE JOINT BOOKRUNNERS**

Arctic Securities AS and Pareto Securities AB acted as the Joint Bookrunners of the Initial Bond Offering and Pareto Securities AB acted as the bookrunner in connection with the issue of the Subsequent Bonds.

The Joint Bookrunners and/or their Representatives may hold shares, options or other securities of the Group and may, as principal or agent, buy or sell such securities. The Joint Bookrunners may have other financial interests in transactions involving these securities or the Group.

The Issuer and any other member of the Group may, subject to applicable laws, purchase Bonds. It should be noted that the Group may have interests that conflict with other Bondholders particularly if the Group encounters difficulties or is unable to pay its debts as they fall due.

## **LEGAL MATTERS**

Certain legal matters in connection with the Initial Bond Offering, the Subsequent Bond Issue and the Listing have been passed upon for the Issuer by Roschier Advokatbyrå AB.

## INFORMATION INCORPORATED BY REFERENCE

The Issuer's audited financial statements for the financial period ended 30 June 2024, the Group's audited consolidated financial statements for the financial years ended 31 December 2023 and 31 December 2022, including the audited restated comparative consolidated financial statements for the financial years ended 31 December 2022 and 31 December 2021 (as applicable) and the Guarantor's audited financial statements for the financial years ended 31 December 2023 and 31 December 2022, as well as the Group's unaudited Q3 2024 interim report, including unaudited restated comparative consolidated financial information for the nine months ended 30 September 2023, and the Guarantor's unaudited H1 2024 interim financial information, including unaudited comparative financial information as at and for the six months ended 30 June 2023, are incorporated into and form part of the Prospectus by reference. The non-incorporated information in the documents incorporated by reference is not relevant for investors or can be found elsewhere in the Prospectus. The referenced documents are available for inspection on the Group's website at, [www.multitude.com](http://www.multitude.com).

Document	Information by reference
<a href="#">Financial statements of the Issuer, 2024</a>	Audited financial statements of the Issuer as at and for the financial period from 6 June 2024 to 30 June 2024.
<a href="#">Auditor's report, Multitude Capital Oyj, 2024</a>	Auditor's report of the Issuer for the financial period from 6 June 2024 to 30 June 2024.
<a href="#">H1 Interim Financial Information, Multitude P.L.C., for the six months ended 30 June 2024</a>	Unaudited interim financial information of the Guarantor as at and for the six months ended 30 June 2024.
<a href="#">Q3 Interim Report, Multitude Group, for the nine months ended 30 September 2024</a>	Unaudited interim report of Multitude as at and for the nine months ended 30 September 2024.
<a href="#">Annual Report, Multitude Group, 2023</a>	Audited financial statements of Multitude for the financial year ended 31 December 2023 (pages 124–251 of the Annual Report 2023) and of the Guarantor for the financial year ended 31 December 2023 (pages 252–261 of the Annual Report 2023).
<a href="#">Auditor's Report, Multitude Group, 2023</a>	Auditor's report of Multitude for the financial year ended 31 December 2023 and of the Guarantor for the financial year ended 31 December 2023.
<a href="#">Annual Report, Multitude Group, 2022</a>	Audited financial statements of Multitude for the financial year ended 31 December 2022 (pages 106–193 of the Annual Report 2022) and of the Guarantor for the financial year ended 31 December 2022 (pages 194–203 of the Annual Report 2022).
<a href="#">Auditor's Report, Multitude Group, 2022</a>	Auditor's report of Multitude for the financial year ended 31 December 2022 and of the Guarantor for the financial year ended 31 December 2022.

## DOCUMENTS ON DISPLAY AND AVAILABLE INFORMATION

In addition to the documents incorporated by reference, (i) the Company's Finnish language articles of association and extract from the Finnish Trade Register as well as the Guarantor's English language articles of association and memorandum of association (ii) the Terms and Conditions (iii) the Agency Agreement (with certain commercial details redacted) and (iv) the Guarantee and Adherence Agreement may be inspected at the Company's website at, [www.multitude.com](http://www.multitude.com).

The Company publishes annual reports, including audited consolidated financial statements, interim financial statements for each year and other information as required by the Finnish Securities Markets Act and the rules of

Nasdaq Stockholm. As at the date of this Prospectus, all annual reports, interim reports and stock exchange releases are published in English. Such information will be available on the Company's website at [www.multitude.com](http://www.multitude.com).

## **ISSUER**

**Multitude Capital Oyj**  
Ratamestarinkatu 11 A  
FI-00520 Helsinki  
Finland

## **JOINT BOOKRUNNERS**

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Berzelii Park 9  
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Tel.: +46 8 402 50 00

## **LEGAL COUNSEL**

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