

ferratum

Corporate Presentation

November 2019

Important notice

This presentation contains, or may be deemed to contain, forward-looking statements. These statements relate to future events or future financial performance of Ferratum.

Such statements are based on the current expectations and certain assumptions of Ferratum's management, of which many are beyond the Ferratum's control. The words "aim", "anticipate", "assume", "believe", "continue", "could", "estimate", "expect", "forecast", "guidance", "intend", "may", "plan", "potential", "predict", "projected", "risk", "should", "will" and similar expressions or the negatives of these expressions are intended to identify forward-looking statements.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Future results may vary from the results expressed in, or implied by, the forward-looking statements, possibly to a material degree.

All forward-looking statements included herein are based on information presently available to Ferratum and, accordingly, Ferratum assumes no obligation to update any forward-looking statements, unless obligated to do so pursuant to an applicable law or regulation.

Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities of Ferratum or otherwise to engage in any investment activity.

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Overview

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Ferratum in brief & 9M 2019 highlights

14 Years of profitable growth

23 Countries



Consumer Loans

90% of revenues



Business loans

9% of revenues



Mobile Bank (incl. PrimeLoan)

1% of revenues



Founded Helsinki 2005



EU Banking Licence



Frankfurt Prime Standard

9M 2019 highlights

- Reiteration of EBIT guidance for 2019 > EUR 45m
- Growing operational efficiency and declining credit losses resulting in record quarter (Q3) at EBIT level of EUR 13m
- Continuing strong revenue growth in key products Credit Limit and SME
- Solid capital structure: net debt to equity stable at 2.61 at end of Q3/19

€218.1m 9M 2019 revenue **+14.7%** Y-o-y revenue growth **€33.5m** 9M 2019 EBIT



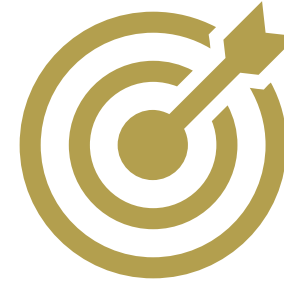
Our vision is to become the “Most valued financial platform”



Vision

“Most valued financial platform”

“We have always strived to offer our customers the fastest, easiest and most convenient loans. Now, we bring this vision beyond lending and into the whole financial field. To achieve this, we ensure the best possible customer experience, use and develop scalable technology, continue to build unique scoring and utilize world class data”

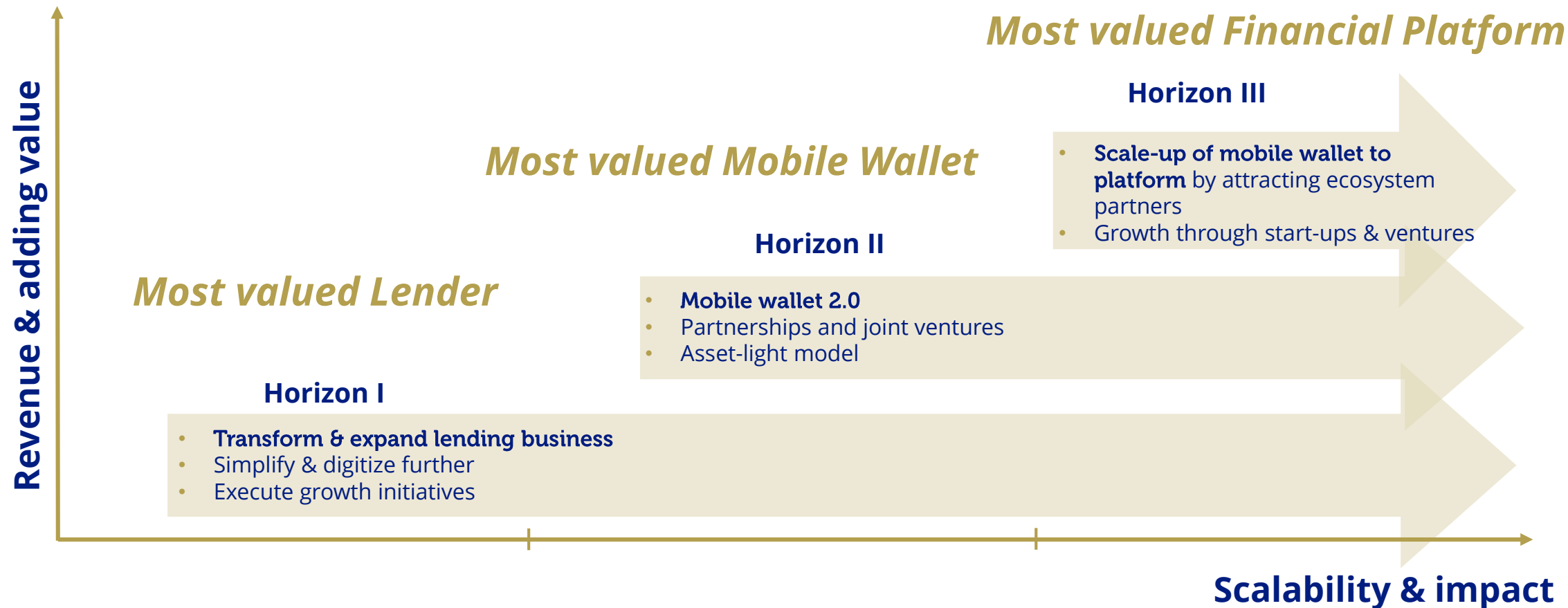


Mission

“More than money to everyone”

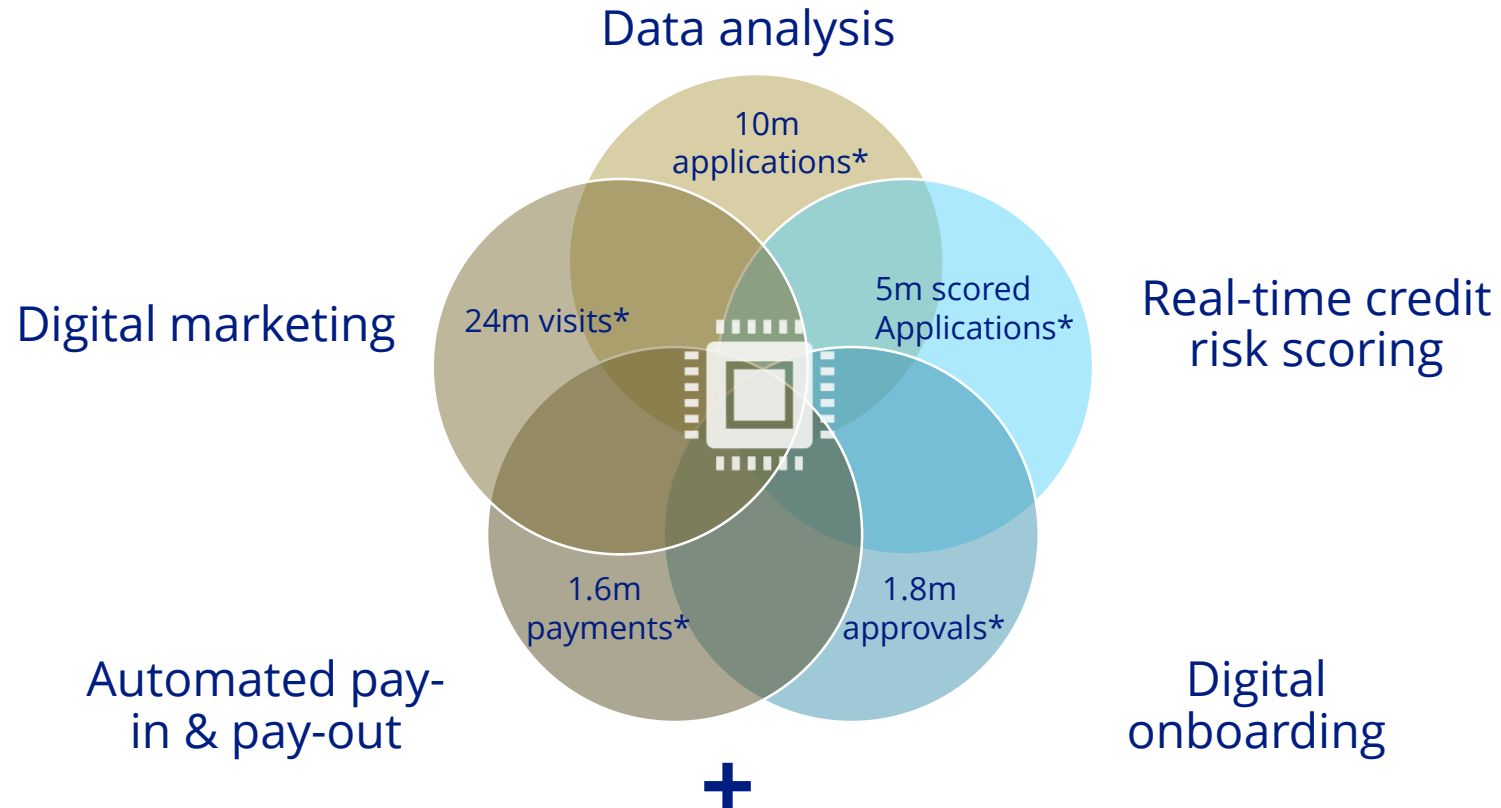
“We strive to offer everyone globally value beyond money through fastest, easiest and best customer experience”

We will achieve our strategic ambitions in three stages



Our seven key competencies, gained over the past 14 years, form a competitive advantage

Operating state-of-the art IT architecture – five key winning areas



Entrepreneurial spirit and calculated risk-taking culture

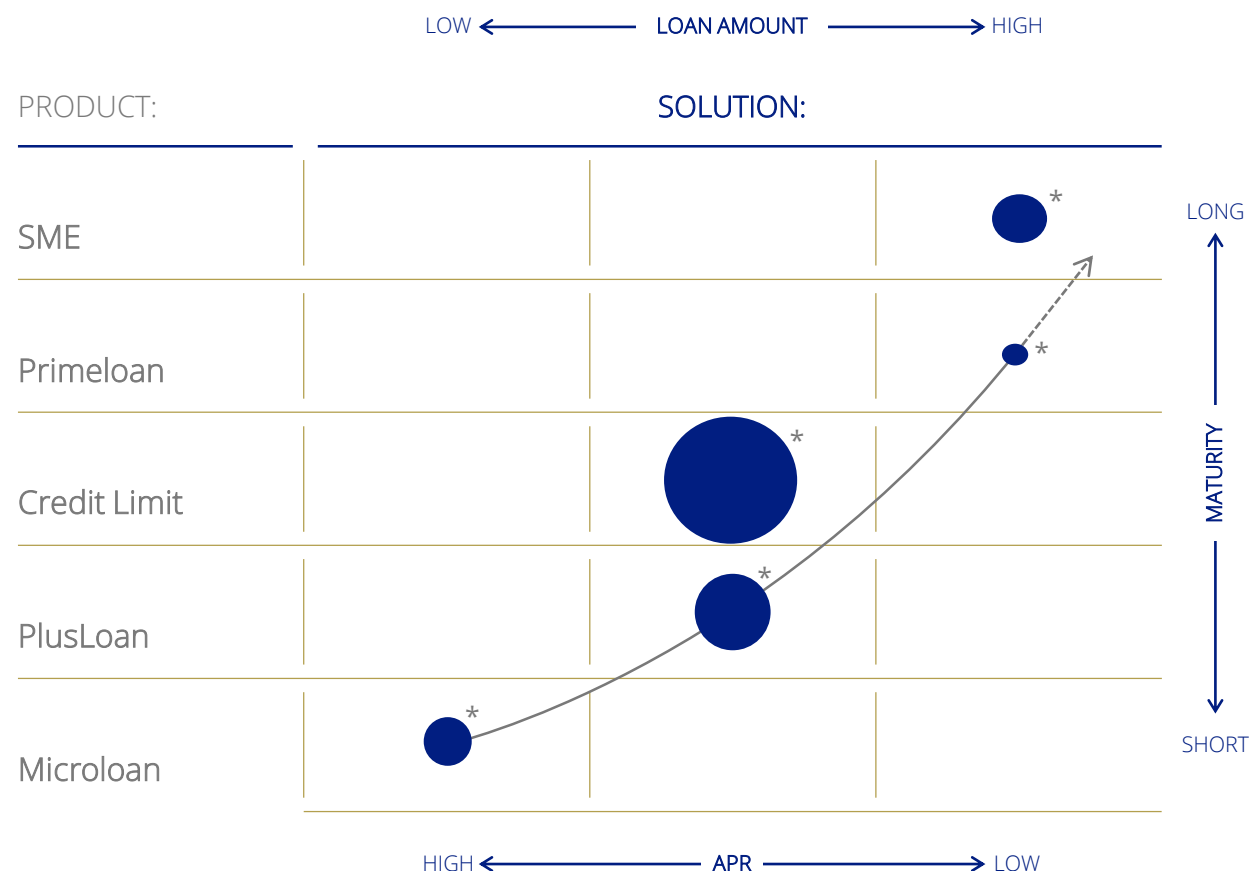
Unique regulatory expertise globally

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* In 2018

Product evolution continues to higher customer lifetime value

9M 2019 revenue dynamics follow our product strategy to transform our activities to products with lower a risk profile and higher CLV



All products are based on the same principles:
Full digital setup and high user convenience,
real-time, paperless

SME – Business loan offering for small and medium size companies

Primeloan - strategic product for entering larger mass segments, launched already in four countries

Credit Limit and PlusLoan continue to be the main components of revenue

Microloan strategically utilized primarily as a product to enter new markets; share is being reduced in established markets

9M 2019 revenue dynamics: increasing revenue share from our strategic key products SME Lending and Credit Limit

Credit Limit and SME representing together 64% of group revenue – up by 5PP compared to 9M 2018

| Products | Average Loan Value | Average Loan Term | Revenue Share | 9M Revenues by Product (€,000) | | Active Markets | Comments |
|--|--------------------|-------------------|---------------|--------------------------------|---------|----------------|--|
| Primeloan (incl. Mobile Bank) €3,000 – €20,000 / 1 – 10 years | €6,768 | 5.4 years | 1.2% | 2018 | 840 | +208% y-o-y | 4 (4) <ul style="list-style-type: none">Primeloan in the ramp-up phase with focus on product and risk optimization |
| | | | | 2019 | 2.586 | | |
| Business (SMEs) Up to €250,000 / 6 – 24 Month term | €13,753 | 440 days | 9.2% | 2018 | 15.540 | +30% y-o-y | 7 <ul style="list-style-type: none">Discontinued in Australia and Poland |
| | | | | 2019 | 20.160 | | |
| Credit Limit Up to €4,000 / Digital revolving credit line | €1,316 | N/A | 54.4% | 2018 | 94.519 | +26% y-o-y | 10 |
| | | | | 2019 | 118.603 | | |
| PlusLoan €300 – €5,000 / 2 – 36 month term | €793 | 363 days | 22.3% | 2018 | 47.757 | +2% y-o-y | 10 <ul style="list-style-type: none">Bangladesh launched with PlusLoan |
| | | | | 2019 | 48.593 | | |
| Microloan €25 – €1,000 / 7 – 90 day term | €220 | 29 days | 12.9% | 2018 | 31.538 | -11 % y-o-y | 10 <ul style="list-style-type: none">Discontinued in Australia, Czech and UKRevenues and geographies further decreased as per strategy |
| | | | | 2019 | 28.143 | | |

Our business lending activities: Serving underbanked SMEs in Europe with financial solutions

Our business activities

Serving underbanked small businesses in Europe with financial and lending solutions: Fast, easy, digital and anytime access to financial services

Our vision

Establishing a European FinTech player serving small businesses with funding solutions

Our market potential

- EUR 400bn European wide funding gap for SME*
- 24.5m SME in Europe*
- 57% GDP contribution from SME*

*Source: 2018 SBA fact sheet, The European Commission Directorate-General for Internal Market, Industry, Entrepreneurship and SMEs (DG GROW) produces the SBA fact sheets as part of the SME Performance Review (SPR), its main vehicle for economic analysis of SME issues.

Brief snapshot and overview of our SME business dynamics

Business lending: established in 2016

| | |
|---------------------|---|
| Seven markets | FI, SE, DK, NL, UK, CZ, LT |
| Loan Amount + Terms | EUR 2K - 250K (Avg. c. EUR 13K); 6- 24 months (Avg. c. 15) |

Average Time in
Business

**5
Years**

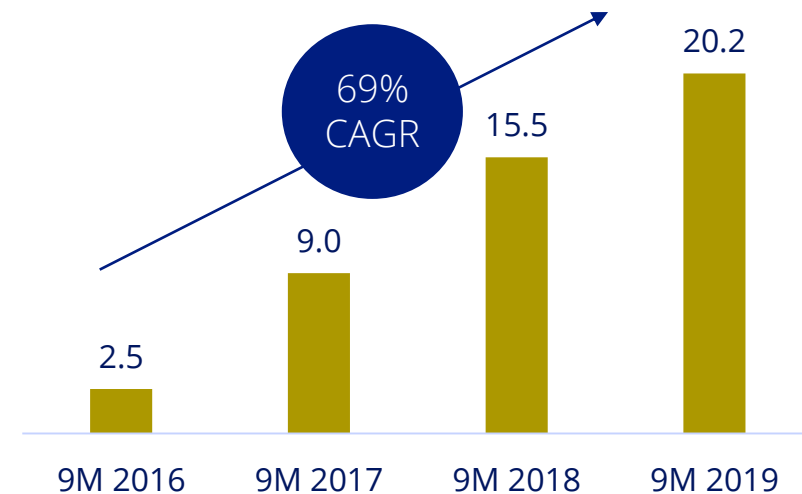
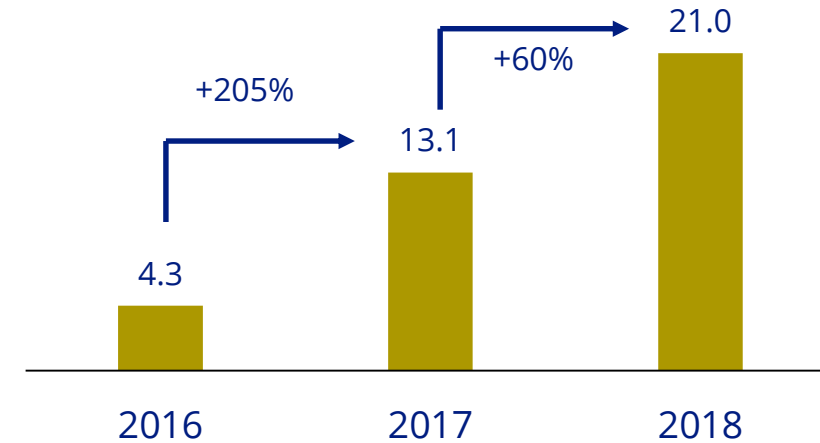
Average no
of Employees

3

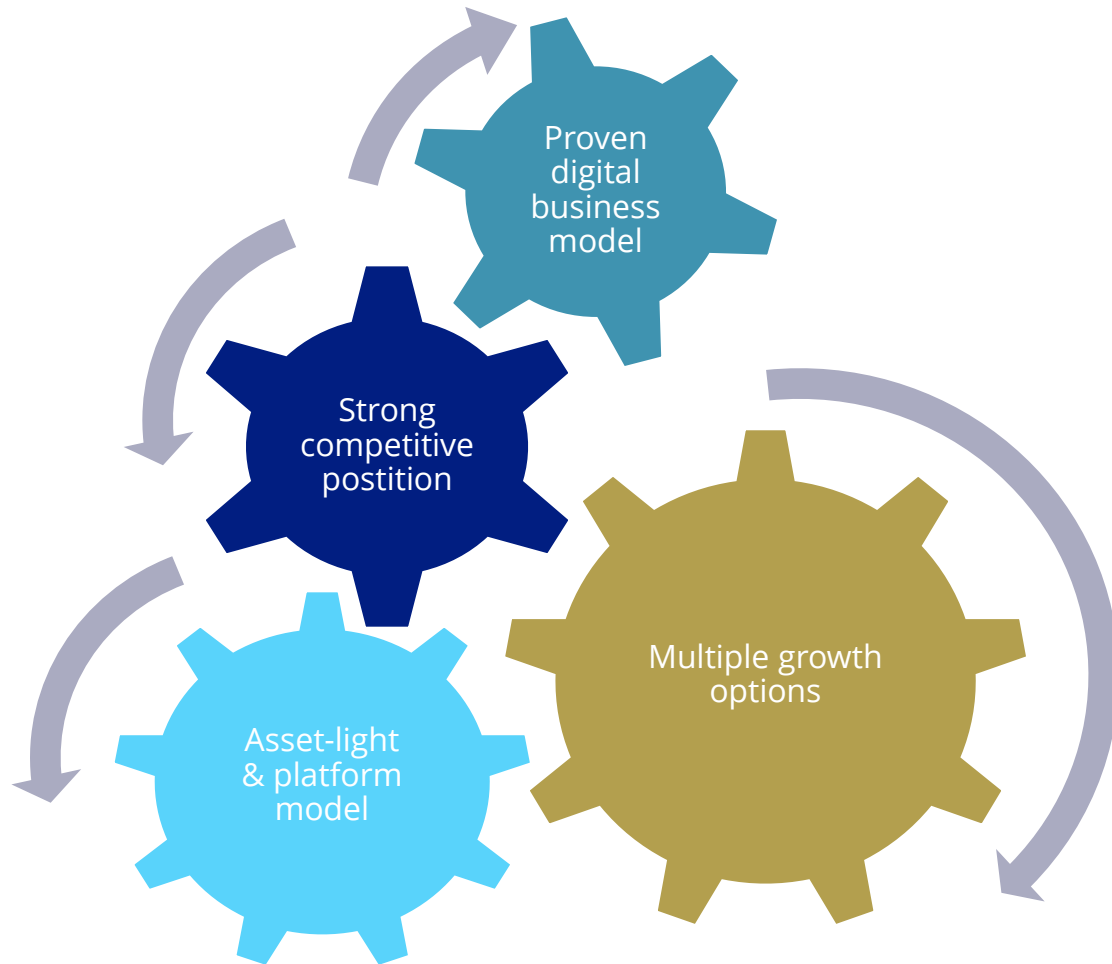
Average Annual
Revenue

190K€

Revenue performance (EUR)



Unique FinTech investment case



Proven digital business model with 14 years of profitable growth

- CAGR Revenue (11-18): 34%
- CAGR EBIT (11-18): 40%
- Strong asset quality

Strong competitive position

- 14 years learning curve in key winning and complex areas
- Customer-centric organization; Knowing the needs of customers and delivering real-time
- Operations in 23 countries
- Full EU-banking licence

Multiple growth options

- Scale SME & Primeloan
- New product innovations & further financial services
- Increasing market share in existing operations
- Merging digital lending and mobile wallet
- Partners and Joint Ventures globally

Asset-light & platform model

- E.g. off-balance sheet strategies
- Shift towards a platform-based model by connecting our technology to partners over time

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Finance

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Solid revenue and profit performance y-o-y in 9M 2019

| EUR, 000 | 9M 2019 | 9M 2018* | % Change |
|----------------------------------|---------------|---------------|---------------|
| Revenue | 218,086 | 190,194 | +14.7% |
| Impairment of loans | (78,945) | (65,400) | +20.7% |
| Personnel expenses | (33,162) | (32,919) | +0.7% |
| Selling & marketing expenses | (29,686) | (30,396) | -2.3% |
| Other operating expenses | (20,433) | (22,014) | -7.2% |
| EBIT | 33,511 | 25,429 | +31.8% |
| Net financial costs | (13,818) | (11,723) | +17.9% |
| EBT | 19,693 | 13,706 | +43.7% |
| Income tax | (2,953) | (2,055) | +43.7% |
| Net profit | 16,740 | 11,650 | +43.7% |
| Earning per share, basic (EUR) | 0.78 | 0.54 | +44.4% |
| Earning per share, diluted (EUR) | 0.78 | 0.54 | +44.4% |

Only major expense items are shown

- Revenue growth at 14.7%, main growth drivers Credit Limit and Business Lending
- Solid profit growth driven by scale effects and cost discipline: EBIT +31.8 %, EBT +43.7% y-o-y
- Cost discipline at all major expense items
 - Personnel expenses flat y-o-y, other operating expenses decreased by EUR 1.6m
 - Increased marketing efficiency: Selling & marketing expenses are slightly down by -2.3% while revenues were up by +14.7%
- Net financial cost are up by +2.1m due to bond issue in 2019
- Decreasing impairments over revenues q-o-q

*restated

Total Assets up by 14%, driven by customer loans (net)

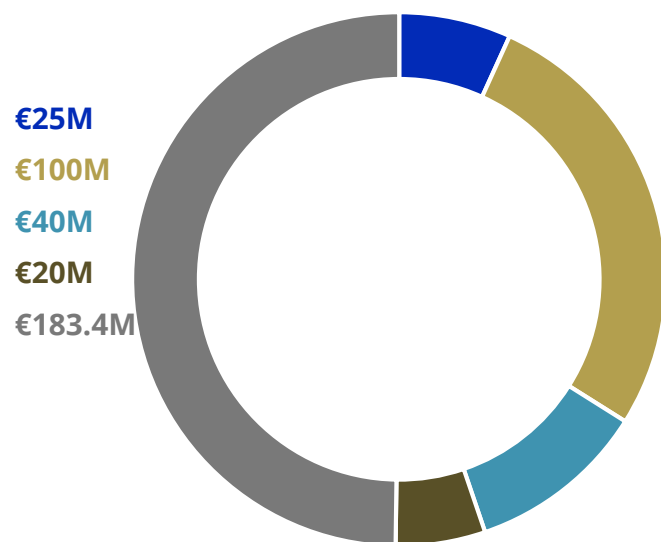
| EUR '000 | 30 Sep 2019 | 31 Dec 2018 | % Change |
|--|----------------|----------------|---------------|
| Assets | | | |
| Non-current assets | 56,709 | 53,714 | +5.6% |
| Accounts receivable – customer loans (net) | 365,152 | 320,538 | +13.9% |
| Other receivables | 13,575 | 9,399 | +44.4% |
| Income tax assets | 975 | 961 | +1.5% |
| Cash and cash equivalents | 133,758 | 115,559 | +15.7% |
| Total Assets | 570,765 | 500,192 | +14.1% |

| EUR '000 | 30 Sep 2019 | 31 Dec 2018 | % Change |
|---------------------------------------|----------------|----------------|---------------|
| Equity and liabilities | | | |
| Equity | 121,092 | 107,380 | +12.8% |
| Non-current liabilities | 174,361 | 138,276 | +26.1% |
| Current liabilities | 275,312 | 254,536 | +8.2% |
| Of which deposits | 205,364 | 183,405 | +12.0% |
| Total Equity & Liabilities | 570,765 | 500,192 | +14.1% |
| Net debt to equity ratio | 2.61 | 2.58 | +1.2% |

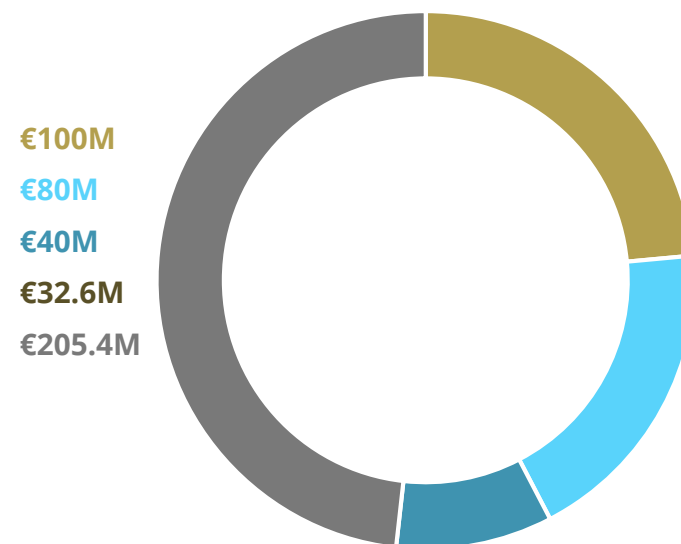
- Successful completion of written procedure to increase ND/E to 3.5 for 2018/2022 bond
- Deposit volume increased from EUR 183m at the end of Q4 2018 to EUR 205m at the end of Q3 2019
- Equity ratio stable at 21%
- loans to customers (net) grew with +14% to EUR 365m (9M 2019 vs FY 2018) – in line with management's expectations

Cost of capital stable

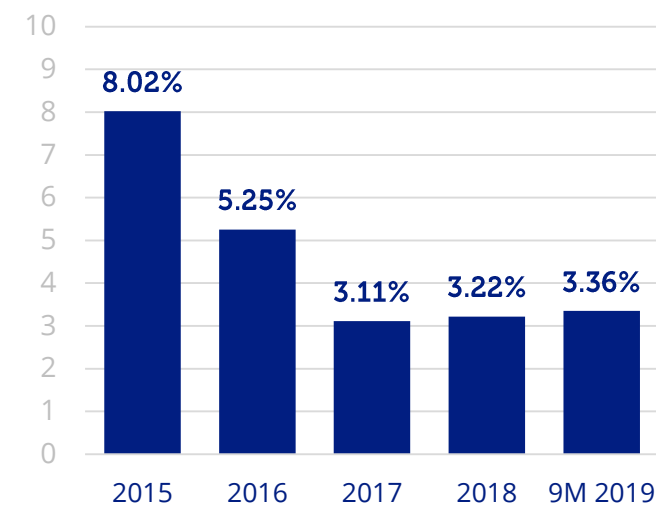
Financing mix at year end 2018



Financing mix end of September 2019

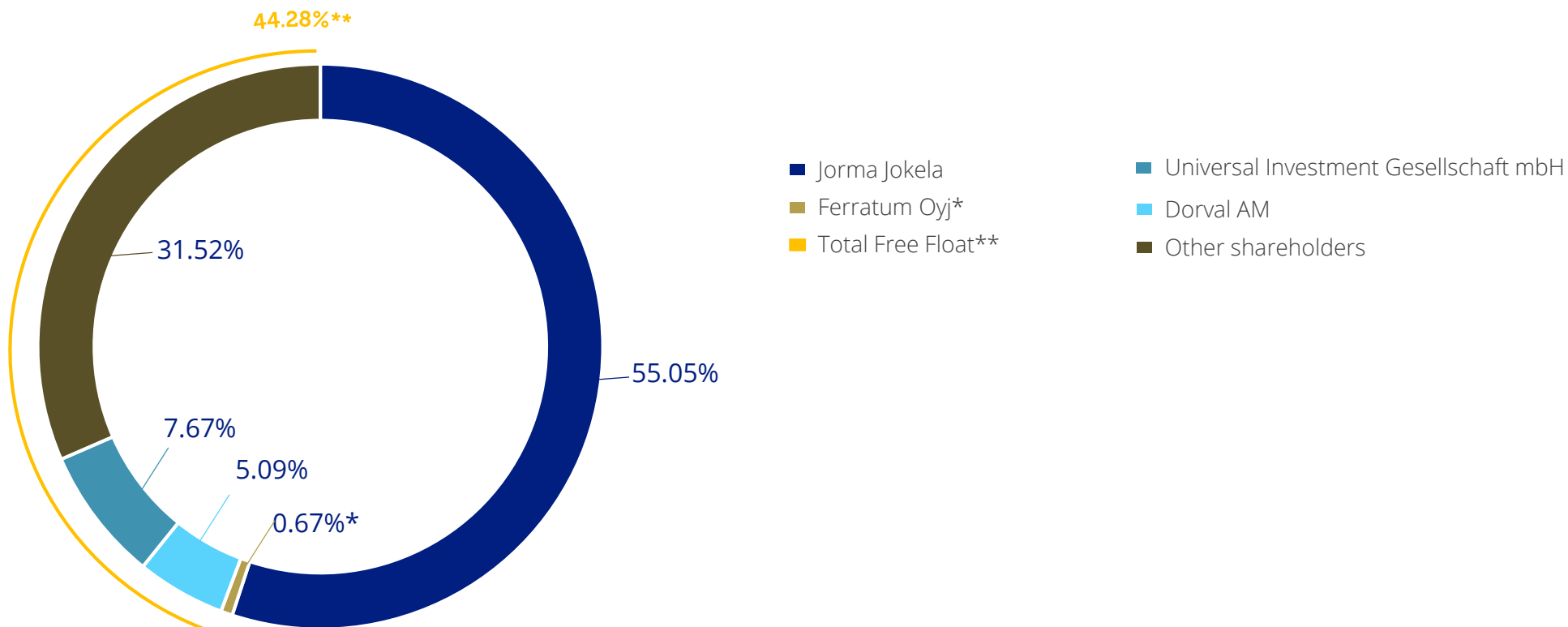


Weighted average cost of debt funding



- Ferratum Capital Germany 4.875% 2019 (repaid in June 2019)
- Ferratum Bank 6.25% + 3m Euribor 2020
- Ferratum Capital Germany 5.5% + 3m Euribor 2022
- Ferratum Capital Germany 5.5% + 3m Euribor 2023
- Nordea Credit Line (of which no limit used at 30 September 2019)
- Deposits

Shareholder information

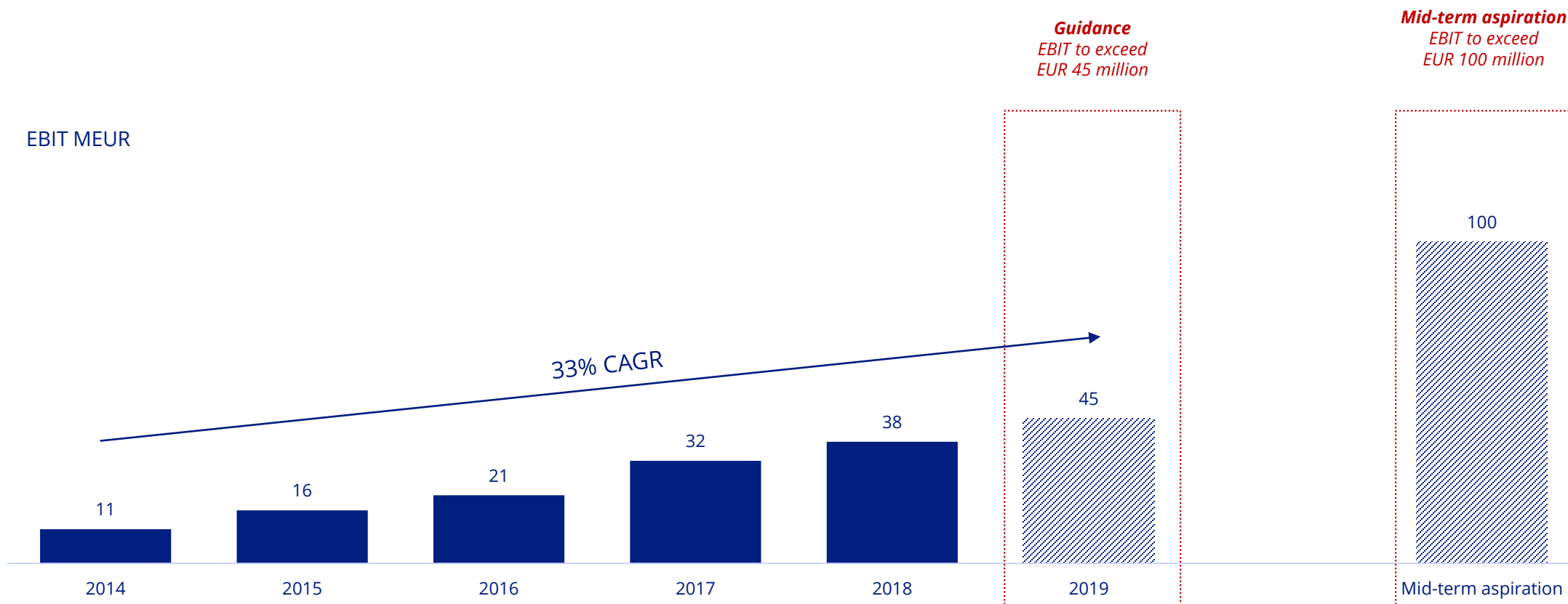


All information of shareholders holding based on the latest shareholder notifications received

* Treasury shares held by Ferratum Oyj (no voting right and no dividends paid on treasury shares)

** Total free float includes shares held by institutional investors, but not treasury shares held by Ferratum Oyj

Further EBIT focus and growth expected mid-term



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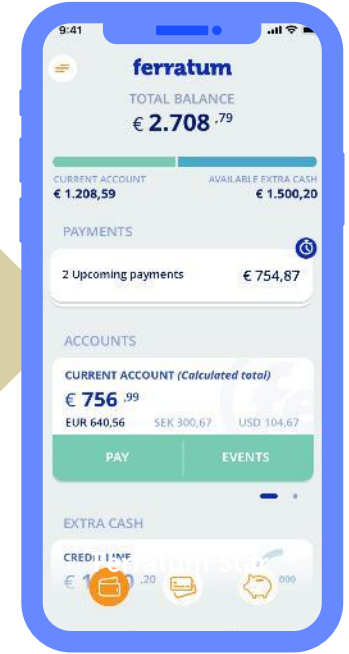
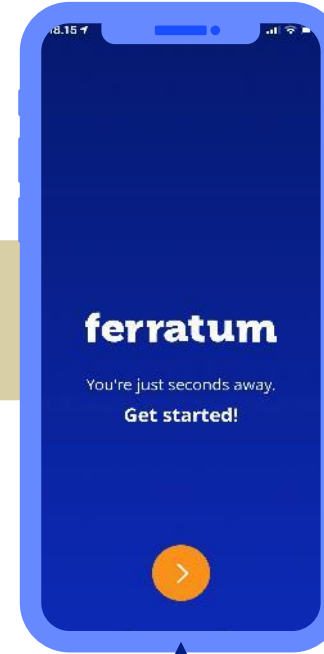
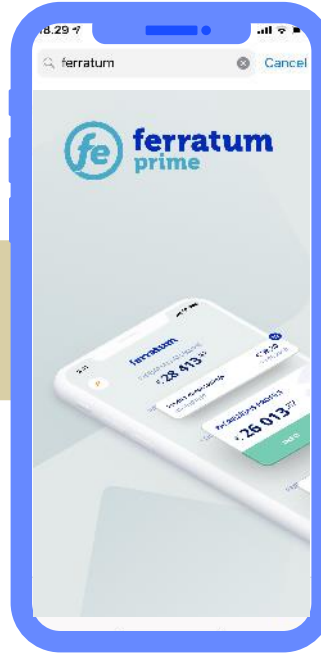
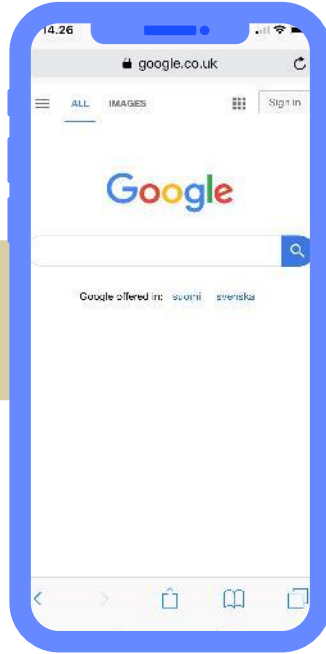
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Back up

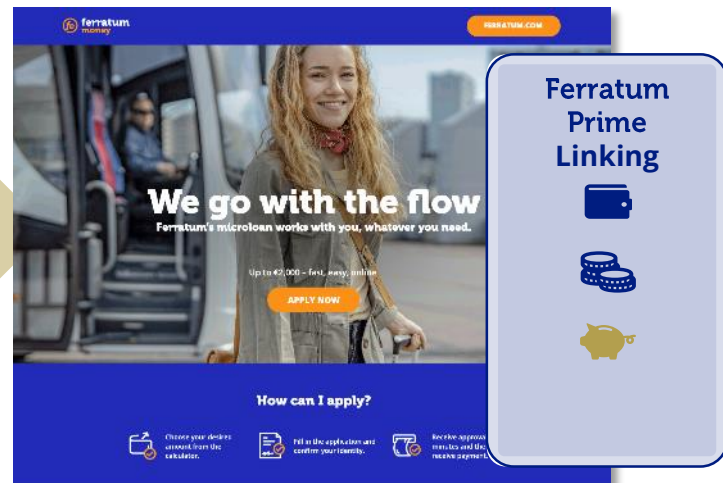
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Merging mobile wallet and lending: Unique new customer acquisition model

Direct



24 million visits



Seamlessly integrated, open accounts for all potential customers

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Quarterly P&L dynamics demonstrate the improvements in all major expense items in 2019

| EUR million | Q3 18 | Q4 18 | Q1 19 | Q2 19 | Q3 19 |
|------------------------------|--------------|--------------|--------------|--------------|--------------|
| Revenue | 66.0 | 72.0 | 73.2 | 72.4 | 72.5 |
| Impairments on loans | 23.2 | 23.1 | 28.7 | 25.7 | 24.6 |
| As % of Revenue | 35.2% | 32.1% | 39.2% | 35.4% | 34.0% |
| Personnel expenses | 10.8 | 10.9 | 10.6 | 11.4 | 11.1 |
| As % of Revenue | 16.3% | 15.1% | 14.5% | 15.7% | 15.4% |
| Selling & marketing expenses | 10.7 | 11.0 | 10.8 | 9.9 | 9.0 |
| As % of Revenue | 16.2% | 15.3% | 14.7% | 13.7% | 12.4% |
| Other expenses | 11.4 | 13.0 | 11.2 | 12.2 | 11.7 |
| As % of Revenue | 17.3% | 18.1% | 15.3% | 16.9% | 16.2% |
| D&A | 1.4 | 1.5 | 2.2 | 2.4 | 3.0 |
| EBIT | 8.8 | 12.4 | 9.7 | 10.8 | 13.0 |
| EBIT-margin | 13.4% | 17.2% | 13.3% | 15.0% | 17.9% |

- Between Q1 2019 and Q3 2019 revenue has been nearly stable while EBIT has improved substantially
- Scoring and risk appetite has been tightened:
 - Temporarily decelerated new onboardings affecting revenue growth
 - Positive impact on impairments over revenues which decreased from 39.2% in Q1 2019 to 34.0% in Q3 2019
- Quarterly development of marketing expenses show increased efficiency:
 - In % of revenues, marketing expenses decreased from 14.7% to 12.4%
 - More focused and concentrated marketing campaigns, limiting marketing in selected countries

Credit Limit remains leading segment: 54% of Group revenues

| EUR ,000 | Microloan | | PlusLoan | | Credit Limit | | SME | | Mobile Bank*** | | Total | |
|---------------------------------------|--------------|--------------|--------------|--------------|---------------|---------------|-------------|-------------|----------------|----------------|---------------|---------------|
| | 9M 2019 | 9M 2018* | 9M 2019 | 9M 2018* | 9M 2019 | 9M 2018* | 9M 2019 | 9M 2018* | 9M 2019 | 9M 2018* | 9M 2019 | 9M 2018* |
| Revenue | 28,143 | 31,538 | 48,593 | 47,757 | 118,603 | 94,519 | 20,160 | 15,540 | 2,586 | 840 | 218,086 | 190,194 |
| Impairments | (10,585) | (14,401) | (20,534) | (16,876) | (38,902) | (28,070) | (6,112) | (4,930) | (2,812) | (1,124) | (78,945) | (65,400) |
| As % of Revenue | 37.6% | 45.7% | 42.3% | 35.3% | 32.8% | 29.7% | 30.3% | 31.7% | 108.7% | 133.7% | 36.2% | 34.4% |
| Marketing | (1,933) | (3,267) | (5,781) | (6,862) | (16,927) | (15,415) | (4,141) | (3,381) | (905) | (1,471) | (29,686) | (30,396) |
| As % of Revenue | 6.9% | 10.4% | 11.9% | 14.4% | 14.3% | 16.3% | 20.5% | 21.8% | 35.0% | 175.1% | 13.6% | 16.0% |
| Attributable Product Margin | 15,628 | 13,925 | 22,282 | 24,103 | 62,786 | 51,201 | 9,909 | 7,256 | (1,131) | (1,754) | 109,474 | 94,731 |
| As % of Revenue | 55.5% | 44.2% | 45.9% | 50.5% | 52.9% | 54.2% | 49.2% | 46.7% | - | - | 50.2% | 49.8% |
| Total Non-directly Attributable costs | (9,504) | (10,865) | (16,409) | (16,542) | (40,050) | (32,561) | (6,808) | (5,353) | (3,192) | (4,071) | (75,963) | (69,303) |
| Operating Profit | 6,124 | 3,060 | 5,873 | 7,652 | 22,735 | 18,639 | 3,101 | 1,903 | (4,323) | (5,826) | 33,511 | 25,429 |
| Gross Profit Margin, % | 21.8% | 9.7% | 12.1% | 16.0% | 19.2% | 19.7% | 15.4% | 12.2% | - | - | 15.4% | 13.4% |
| Finance costs, net | (867) | (917) | (2,415) | (2,394) | (5,333) | (4,612) | (2,175) | (1,338) | (539) | (177) | (13,818) | (11,723) |
| Net Profit | 5,257 | 2,143 | 3,458 | 5,258 | 17,402 | 14,027 | 926 | 565 | (4,862) | (6,002) | 19,693 | 13,706 |
| As % of Revenue | 18.7% | 6.8% | 7.1% | 11.0% | 14.7% | 14.8% | 4.6% | 3.6% | - | - | 9.0% | 7.2% |

- Decreasing overall impairment ratios since Q1 2019
- Microloan: decreasing in absolute and relative terms as per strategy.
- SME: strong growth and slightly decreasing impairments
- Improved marketing efficiency throughout and stable operational expenses

*restated
***incl. Primeloan