



MULTITUDE

Creating Success Stories in FinTech

Investor Presentation

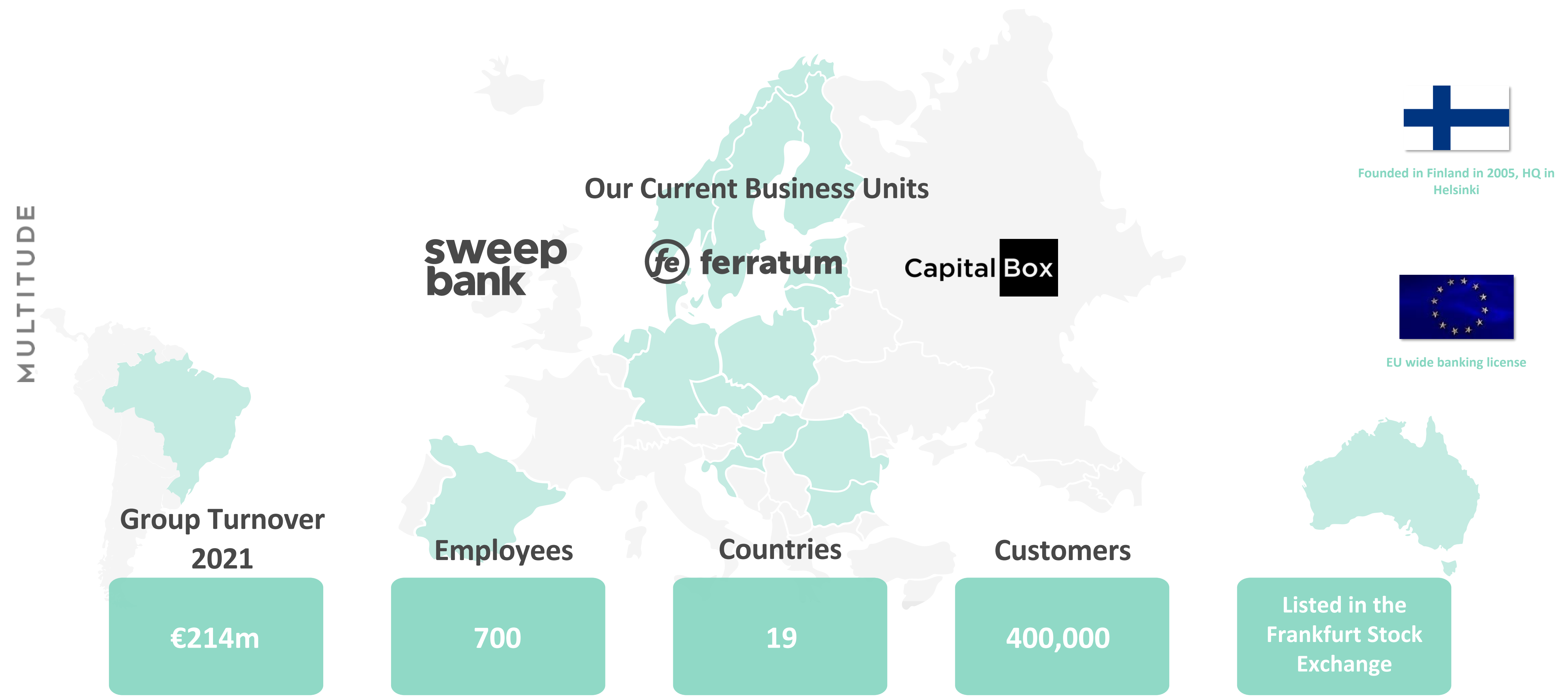
November 2022

Table of Contents

1. Multitude in Brief
2. Multitude Growth Platform
3. Multitude's Business Units
 1. SweepBank
 2. Ferratum
 3. CapitalBox
4. Latest Results

Multitude in Brief

We have been creating success stories in FinTech for the last two decades



We are building the most valued financial ecosystem and we are serving the underserved segment

MULTITUDE

VISION

Create the most valued financial ecosystem

MISSION

Democratise financial services through digitalisation, making them fast, easy & green

OUR VALUES

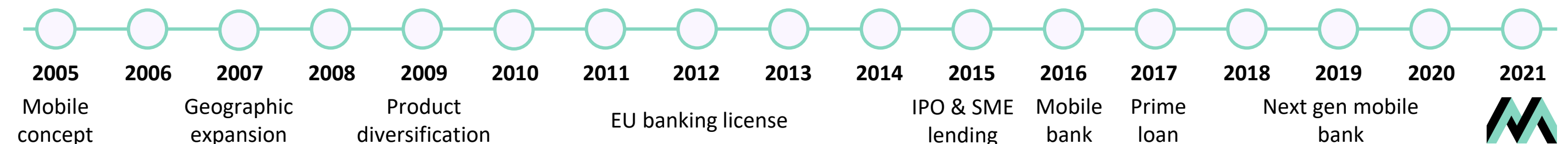
- Customer centricity – Entrepreneurial spirit – Candour –
Respect – Winning teams

We have been building our Growth Platform for almost two decades

Commentary

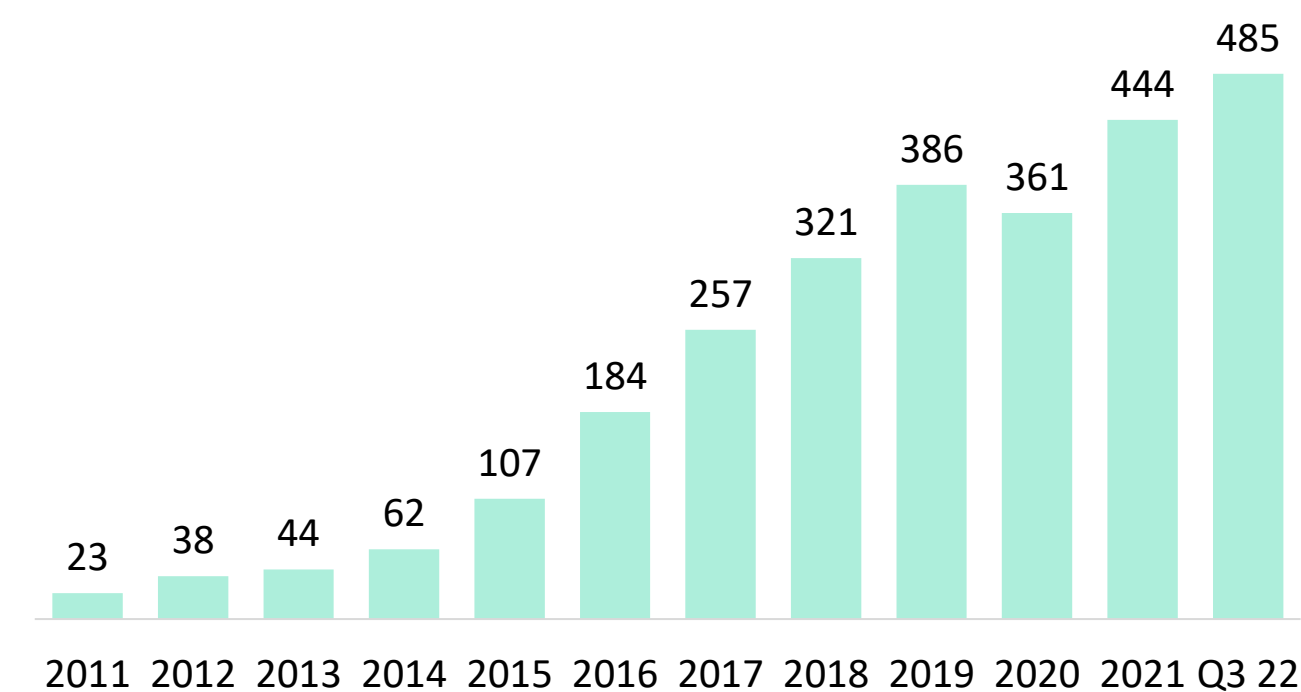
- Multitude was **founded in 2005** with an initial focus on Finland, Sweden and the Baltics, but has since then expanded into new markets and now **operates in 19 countries**
- With a European **banking license** in place in 2012, the Group expanded further within the EU and subsequently also started to use deposits as a funding source
- **In 2015, the Group listed its shares** on Frankfurt Stock Exchange as well as launched its mobile banking platform
- In recent years, the Group has shifted its operations **towards longer tenor products** with higher customer lifetime value, and established SME lending operations
- In May 2021, the Group announced its strategic shift to become Multitude and operate the business through three independent business units
- Geographically, the Nordics is the largest region and most of the current operations are in Europe (96% of turnover)

History line

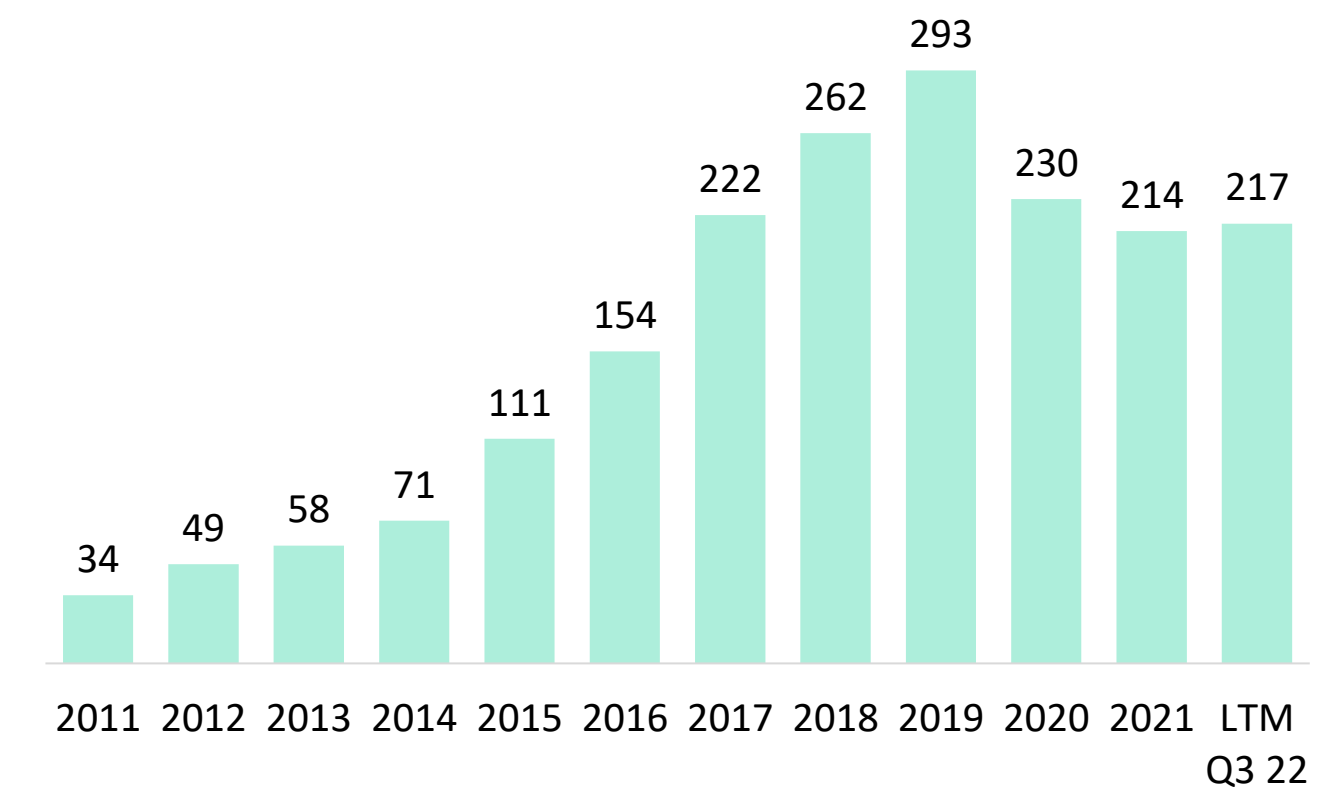


MULTITUDE

Group Net receivables (EURm)

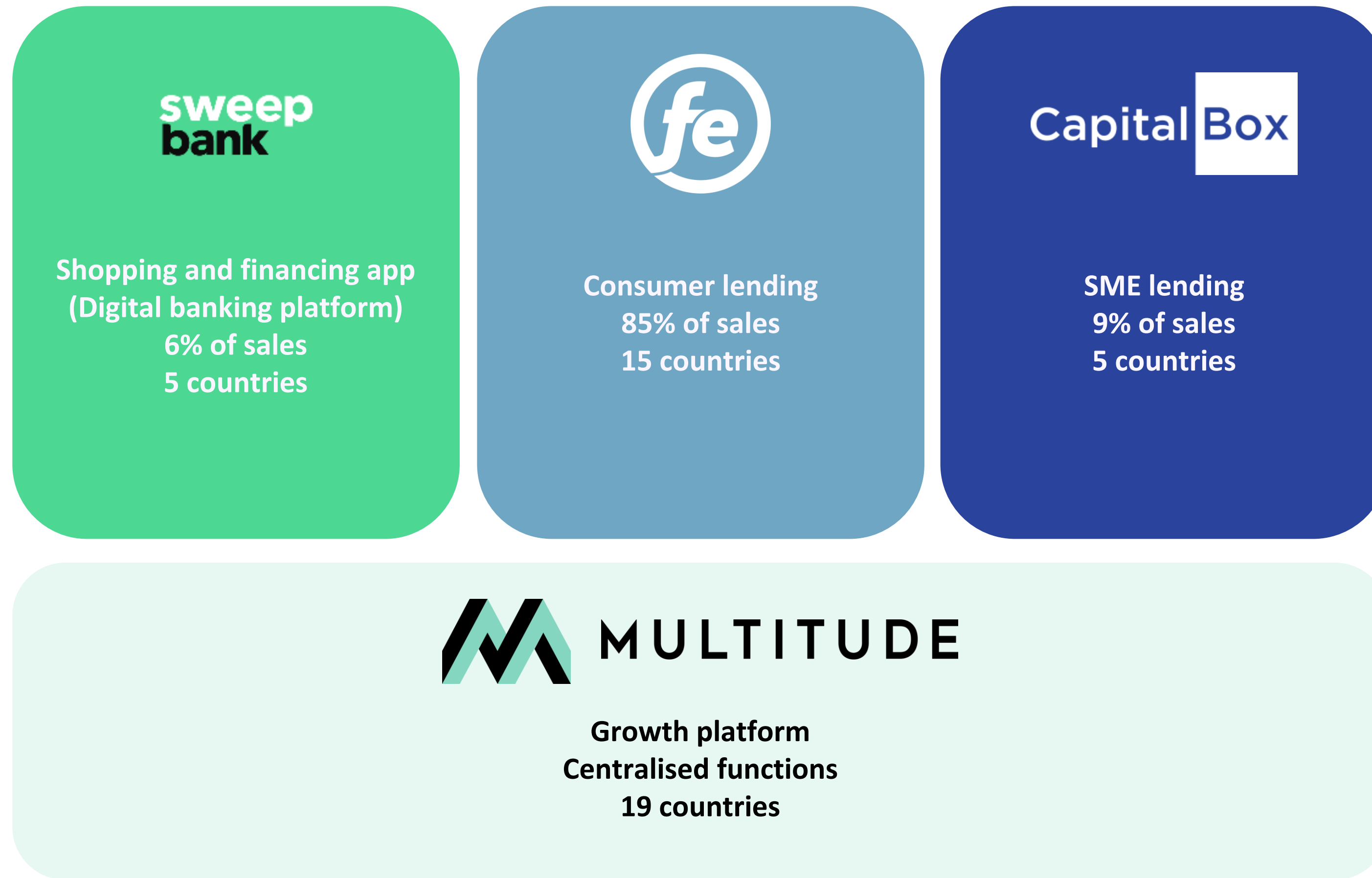


Group Revenues (EURm)



We operate through our Growth Platform and our three independent business units

MULTITUDE

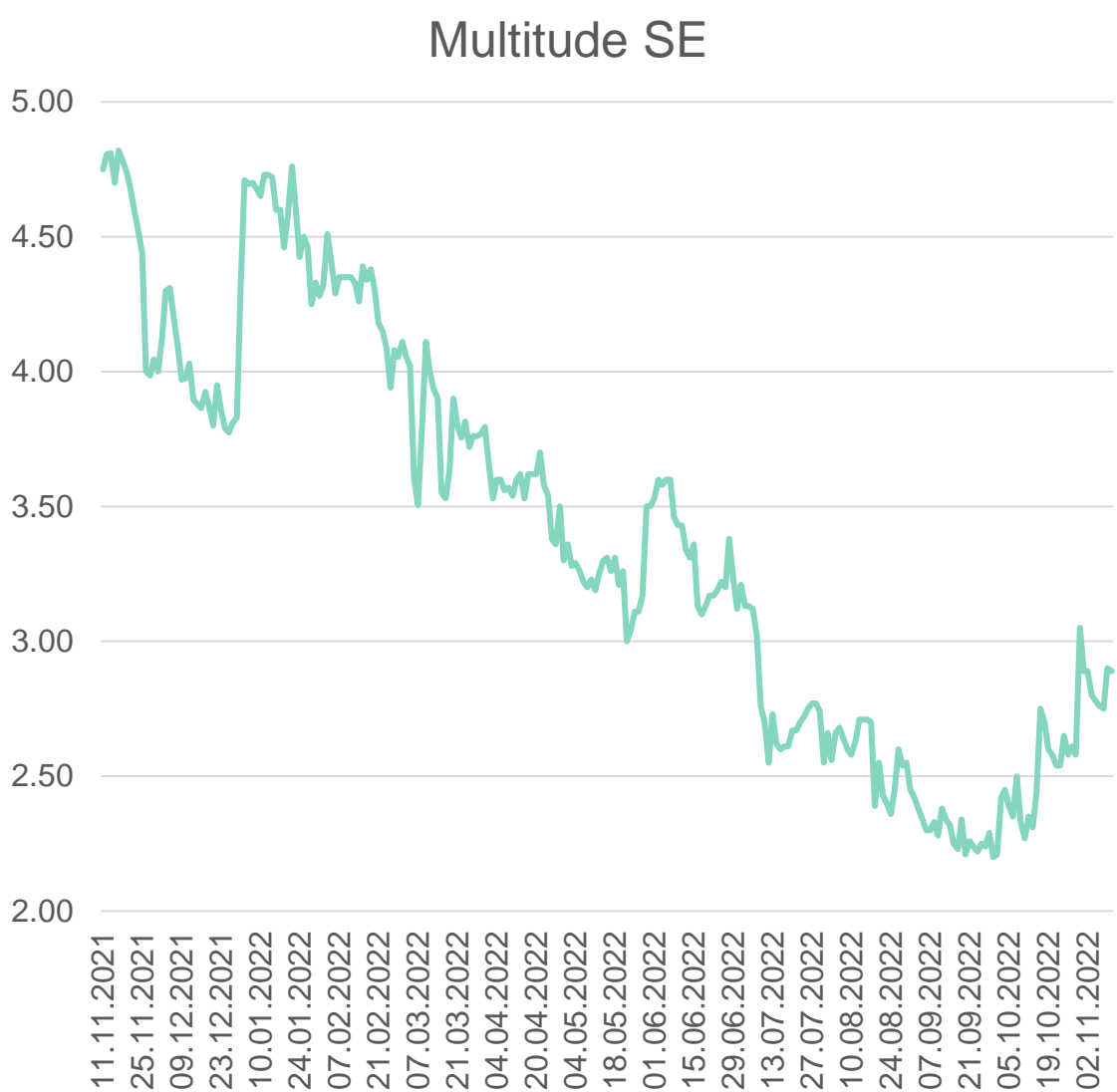


Multitude share price has underperformed during the recent economical downturn, however the analyst community is positive

Details of the share

Company: Multitude SE
ISIN: FI4000106299
WKN: A1W9NS
Ticker: FRU

Share price performance (12 M)



Current Analyst views of the share

Multitude

Vara Research

CREATING TRUST

Analyst Expectations				Detailed Consensus ▾				
Target Prices (EUR)					Recommendations			
Broker	Current	Previous	Change	Up-/Downside	Current	Previous	Change	Last Update
AlsterResearch	11.10	11.10	0.0%	276.3%	Buy	Buy	No	2022-11-17
Hauck & Aufhäuser	9.00	11.00	-18.2%	205.1%	Buy	Buy	No	2022-11-18
Pareto Securities	3.50	3.50	0.0%	18.6%	Buy	Buy	No	2022-11-17
Warburg Research	6.50	6.50	0.0%	120.3%	Buy	Buy	No	2022-11-23

>10% upside

10% upside to 10% downside

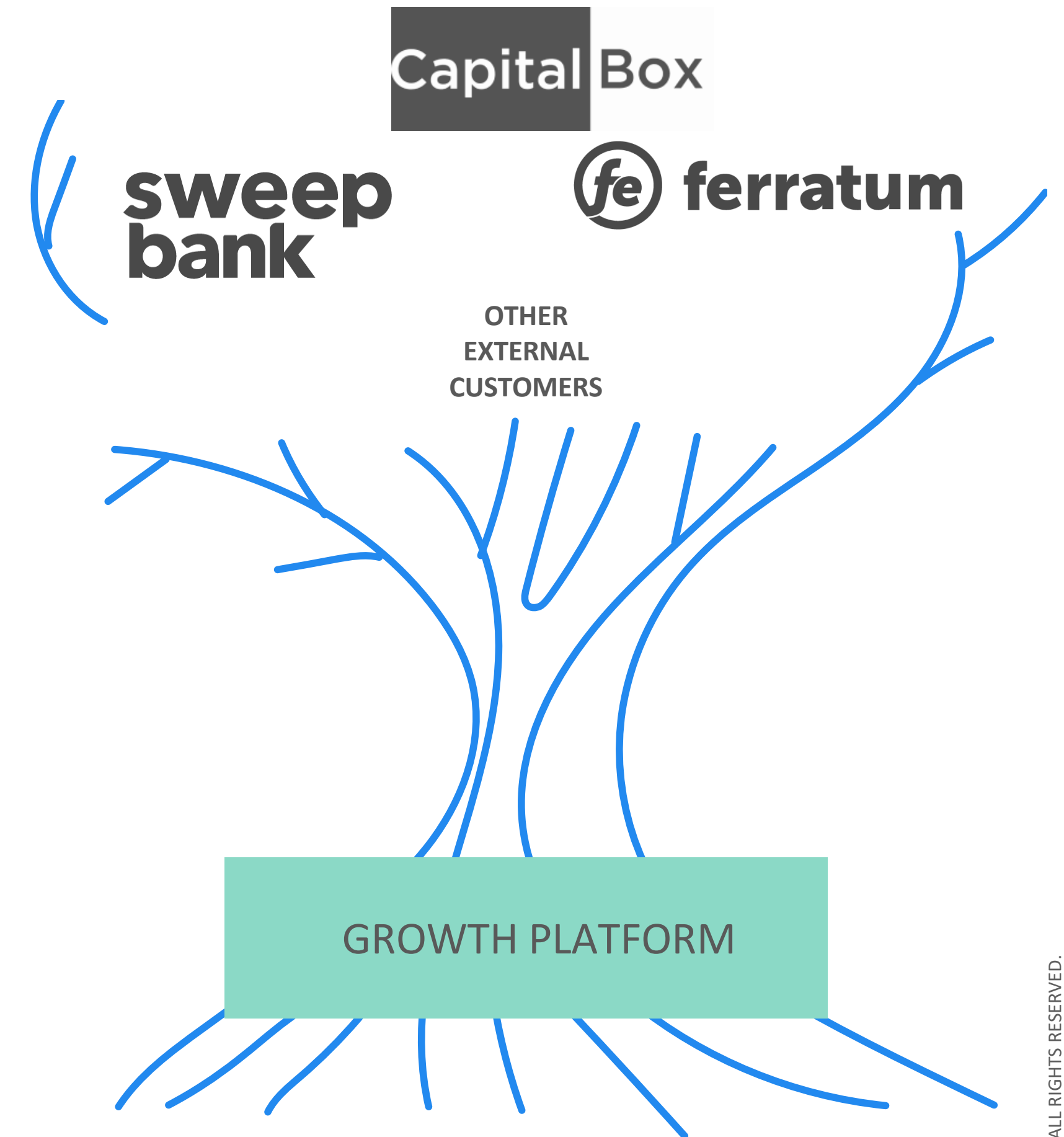
>10% downside

Multitude Growth Platform

Our vision is to create the most valued financial ecosystem

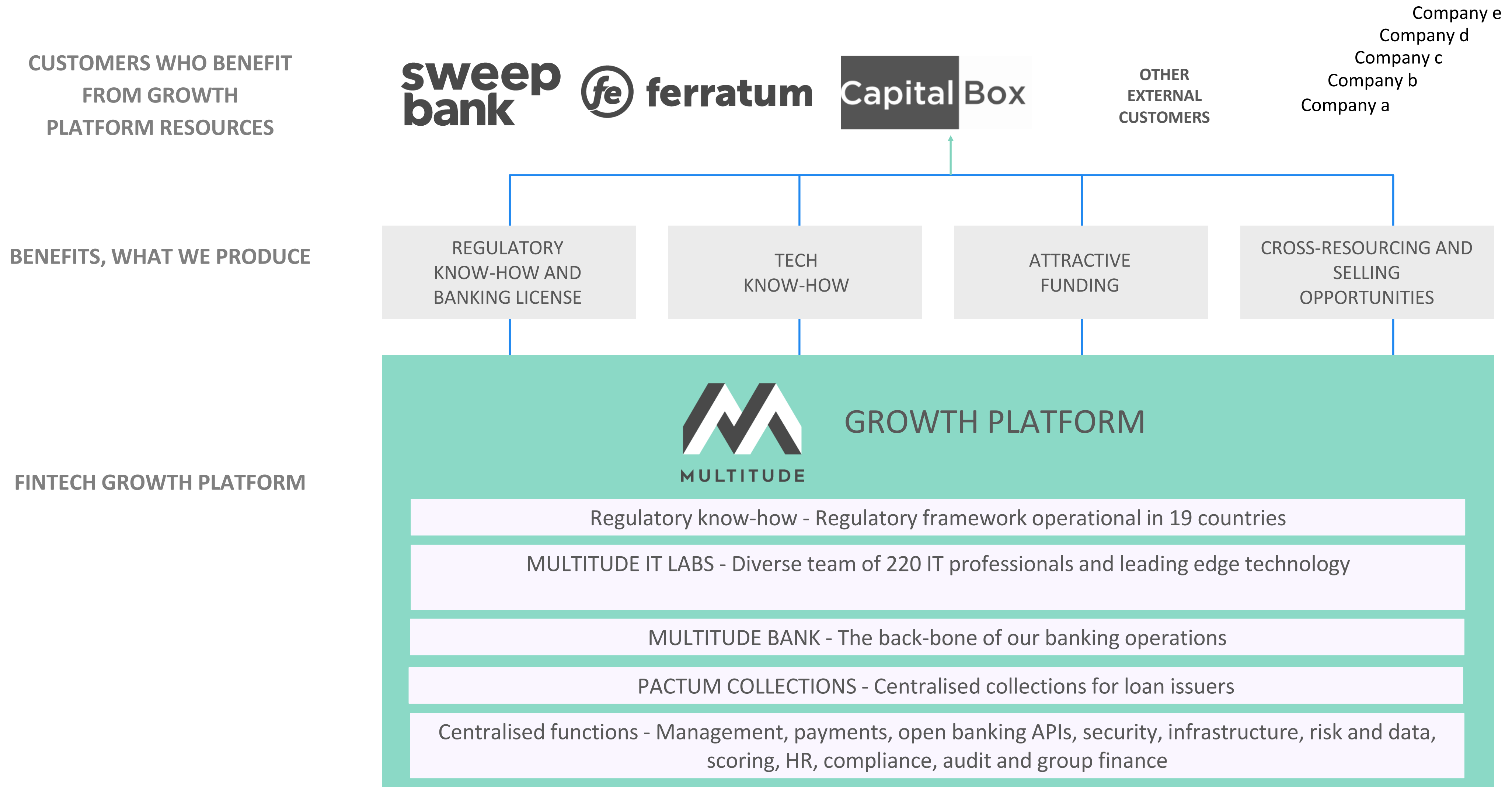
MULTITUDE

- We create and develop our ecosystem by fully functional **Growth Platform**, which offers **tried and tested benefits** to our own businesses as well as to a wider pool of FinTech operators
- This growth platform **enables FinTech businesses to grow and scale** faster with our centralised platform resources
- Growth platform opens us **new B2B revenue streams** and it brings us closer to the next generation of FinTechs in Europe



How does Multitude Growth Platform look like?

MULTITUDE



Quotes from the customers of the Multitude Growth Platform

MULTITUDE

“ Being on the Multitude platform has allowed us to build SweepBank on a solid, unified tech stack and tap into the regulatory assets of Multitude, such as the banking license and the Mastercard membership. These all together have enabled us to move so much faster in building and growing our business!

Julie Chatterjee
Tribe CEO
SweepBank by Multitude

”

“

Being on the Multitude platform allows us to tap into a shared customer base. Thus, we don't need to rely only on growing our own but can all benefit from it together and, simultaneously, offer increased value to our customers!

”

Kristjan Kajakas
Tribe CEO
Ferratum by Multitude

“

We can utilise the extensive experience, resources, and tools of Multitude in operations – it includes business-critical functions like funding, payments, underwriting, collections and CRM. This support allows us to fully focus on building our business.

”

Outi Päivinen
Head of Marketing
CapitalBox by Multitude

“

The partnership is the product of our companies' strong commitment to creating innovative financial solutions that utilise both organisations' core assets. Since the founding of ESTO, we have facilitated over 300 million EUR in transactions for hundreds of thousands of European consumers and merchants. With Multitude Bank as a partner, we become an irrefutable partner of growth for our retailers of all sizes, allowing them to maximise their success through our commerce platform,

”

Mikk Metsa
CEO
ESTO Group

Multitude's Business Unit

SweepBank – Fast growing shopping and financing app

Commentary

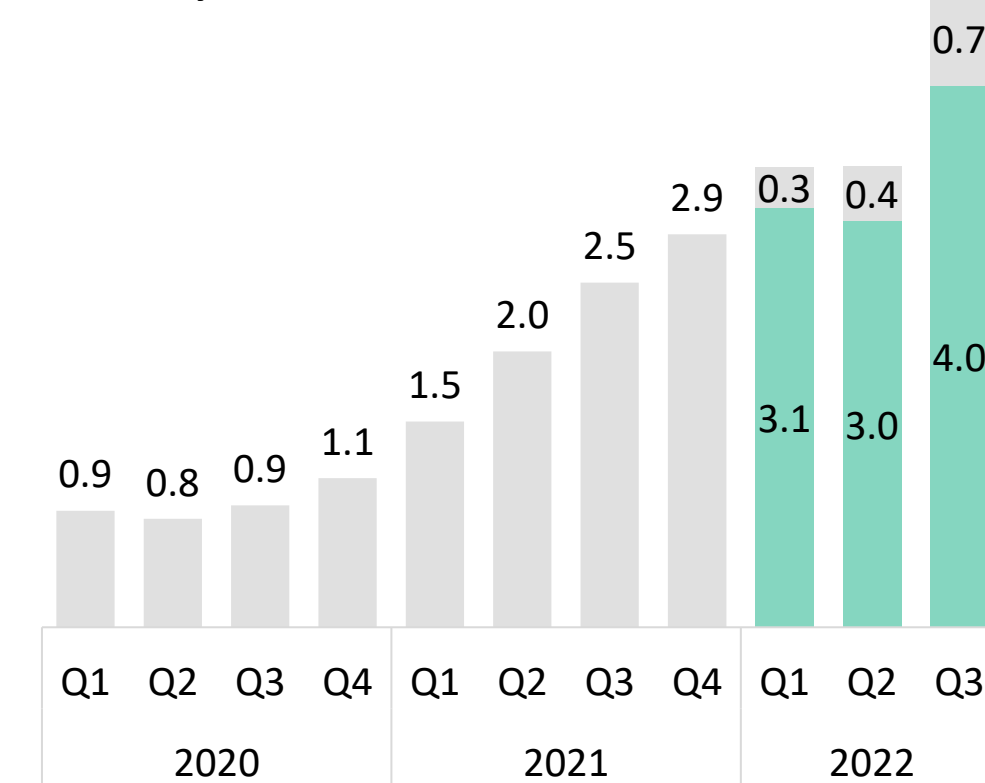
- SweepBank was introduced in Q2 2021 and is the digital banking platform within Multitude, offering prime loan financing, a mobile wallet solution and a credit card
- SweepBank also offers its customers a proprietary mobile banking platform with an open API architecture, which allows for seamless integration of service widgets by other companies and products such as Apple Pay and Google Pay, and savings products to be integrated going forward
- With the partnership approach, SweepBank will be able to deliver faster growth with limited capex needs, enabling a highly flexible financial ecosystem catering for the broadest range of financial needs via a single and unified application
- In YTD Q3 2022, SweepBank accounted for 6.3% of revenue and 24.0% of Multitude's net loan receivables, respectively
- The focus going forward to improve profitability of SweepBank is to shift from fast to moderate growth, concentrate on products and countries with higher profitability, operational costs reduction target of 50% and focus on prime segment instalment loans with higher yield

ACTIVE
MARKETS



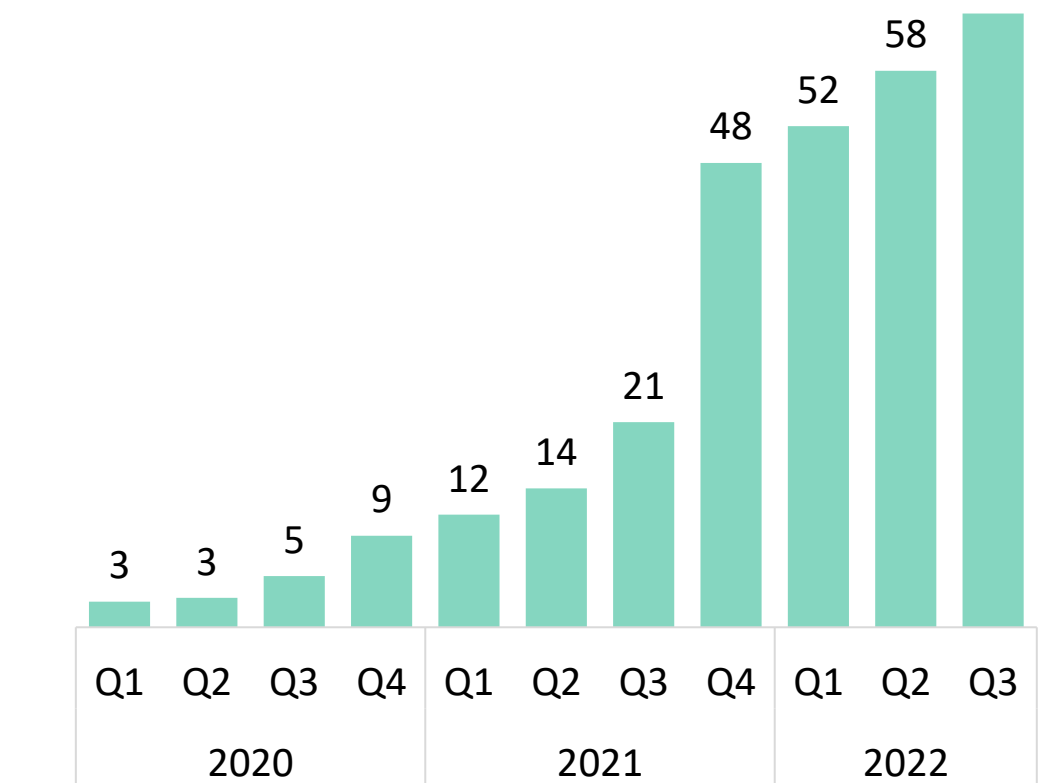
Revenue development¹

Quarterly, EURm



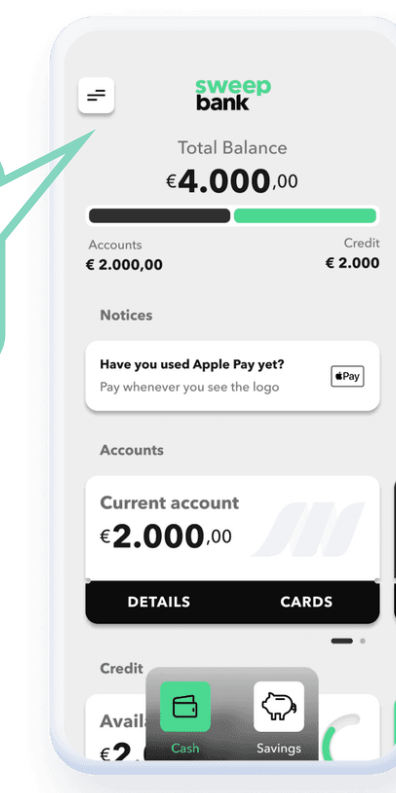
Total number of customers

Thousands



Value proposition – Personalised shopping and banking

Featured in the top app list at Google Play FI and 4th place among financial apps in Apple store FI in Q3 2021



sweep bank Debit Card, Current account & savings

M Credit Card

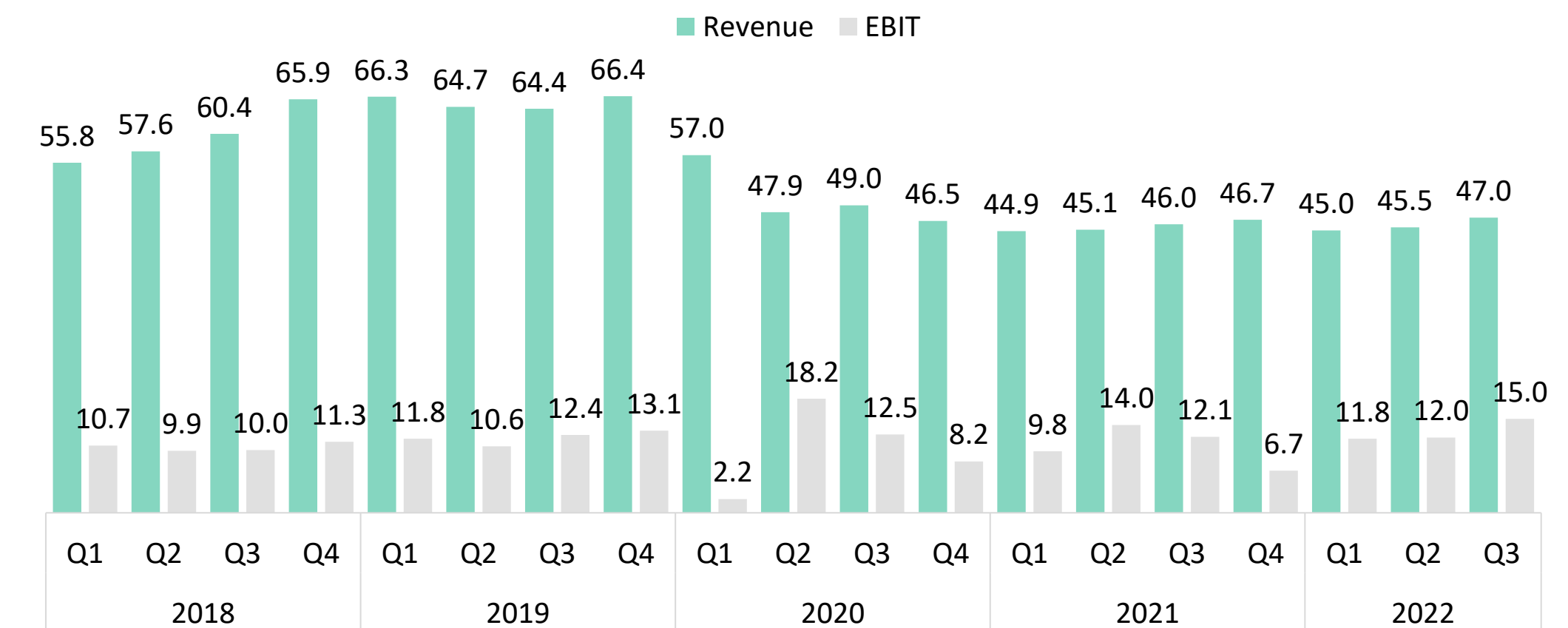
Handshake Prime Loans

Ferratum – Consumer loans with increased focus on longer term loans

Commentary

- The Ferratum business unit represents majority of the Group's sales and it provides Near Prime consumer loans of up to 5,000 euros with maturity periods of up to 36 months
- Ferratum focuses on customers with unplanned financial needs occurring due to unexpected life events
- Key selling point is speed and convenience with easy online application processes
- Ferratum made a strategic shift towards providing longer-term lending solutions in 2019, which has increased the focus on the Credit Limit solution
- In 2020, lending operations were seized in 5 markets due to a COVID-19, which resulted in a decline in revenue and operating profit
- Due to stricter scoring, new data sources, greater agility and more centralised operations, the segment grew stronger with higher loan amounts to higher-quality customers with improved payment behaviour
- Credit Limit product rollout continues, e.g. launched in Slovenia in 2022
- In YTD Q3 2022, the Ferratum segment accounted for 59.0% and 84.5% of Multitude's net loan receivables and revenue, respectively
 - LTM EBIT amounted to EUR 45.5m

Development of quarterly key financials (EURm)¹



Segment overview

	CUSTOMERS	<ul style="list-style-type: none"> • Unplanned financial need because of unexpected life event • Speed and convenience more important than price
	TEAM	<ul style="list-style-type: none"> • 130+ professionals focusing on serving the customer needs • Working in small agile teams
	PRODUCTS	<ul style="list-style-type: none"> • Credit limit, Plusloan and Microloan • Digital onboarding – 95% existing customer process automated
	ECONOMIES OF SCALE	<ul style="list-style-type: none"> • Scalable funding • Automated processes, centralized operations • Operating in 15 markets



Note: 1) Restated to reflect carve-out of discontinued operations. Revenue recognition is under review in order to improve the presentation of customer acquisition costs.

CAPITALBOX – DIGITAL SME LENDING

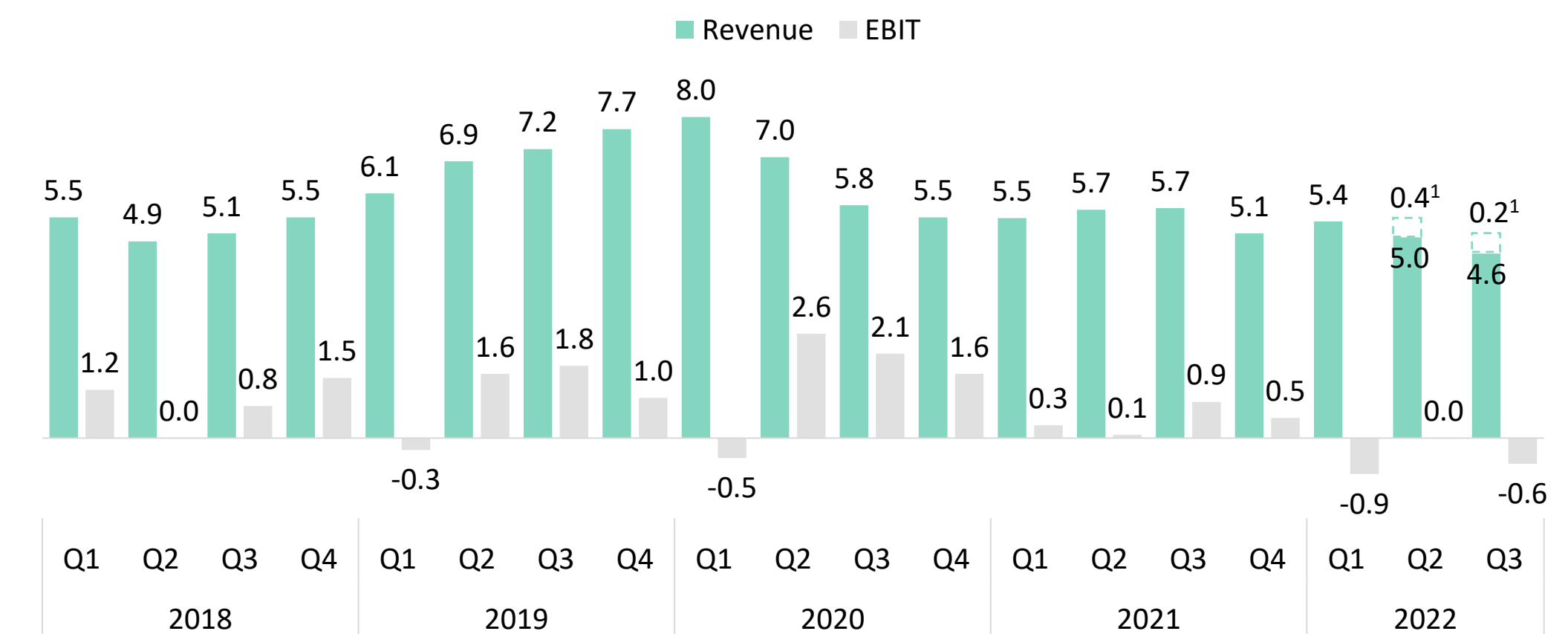
Commentary

- CapitalBox was established in 2015 and it is a FinTech player providing SMEs rapid and easy working capital loans in amounts up to EUR 350,000 with payback periods up to 50 months
- Satisfied customer base with high rate of recurring customers and strong retention rates
- Sophisticated algorithms, automated external checks, and risk analysis allow for 5-minute applications, credit decisions in hours and money within one day
- In October 2020, CapitalBox acquired the business operations of Dutch company Spotcap Netherlands B.V. getting deeper access to the Netherlands
- In the first half of 2022, the revenue and financial development were below expectations. Following corrections have been made:
 - The successful launch of Credit Line in all 5 active markets, piloting a new scoring model including machine learning and a new tribe CEO that will start in the beginning of 2023
- In YTD Q3 2022, CapitalBox accounted for 17.0% of Multitude’s net loan receivables and 9.3% revenue, respectively

ACTIVE
MARKETS



Development of key financials (EURm)



Overview

AVERAGE SME CUSTOMER

- 7 years in business
- EUR 500k in annual revenues
- 3 employees

SME VALUE PROPOSITION

- Serving underbanked small businesses throughout Europe with Multitude’s philosophy
- Fast, easy, and anytime access to financial services

VISION

- Establishing an European FinTech powerhouse for funding services to small businesses

MARKET POTENTIAL

- EUR 280bn European wide SME funding gap
- 25m SMEs in Europe

Multitude 9M 2022 results

MULTITUDE GROUP HIGHLIGHTS 9M 2022

– STABLE GROWTH CONTINUES WITH UPWARD TREND IN EBIT



HIGHLIGHTS 9M 2022

- Stable revenue growth +2.3% y-o-y
- Lending portfolio growth improving over several quarters +13.1% y-o-y
- Upward trending EBIT development despite the current market situation
- Payment behaviour in 9M 2022 remains robust
- Stable cash position

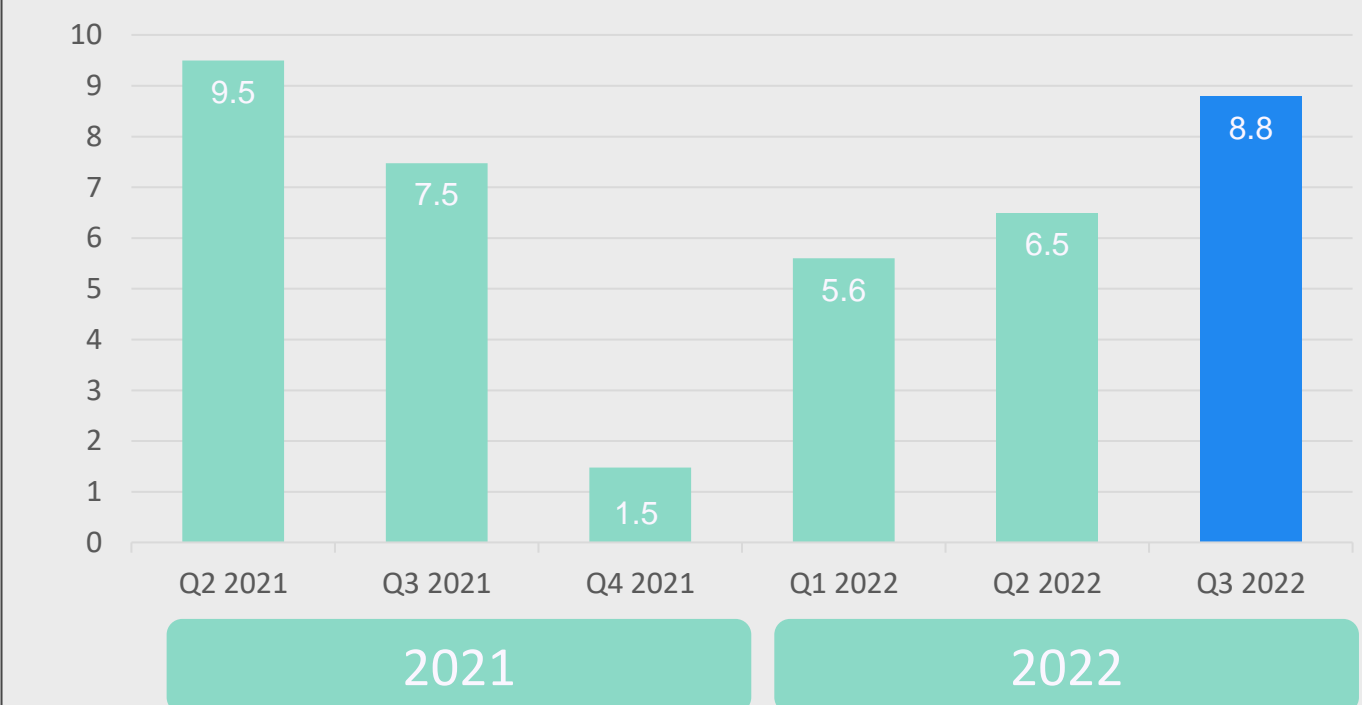
FOCUS GOING FORWARD

- Utilize our agile organisation, to scale down fixed and administration expenses
- Shift initiatives to accelerate our profitability short and mid term
- Improvements in our Growth Platform's central processes and value creation in trips

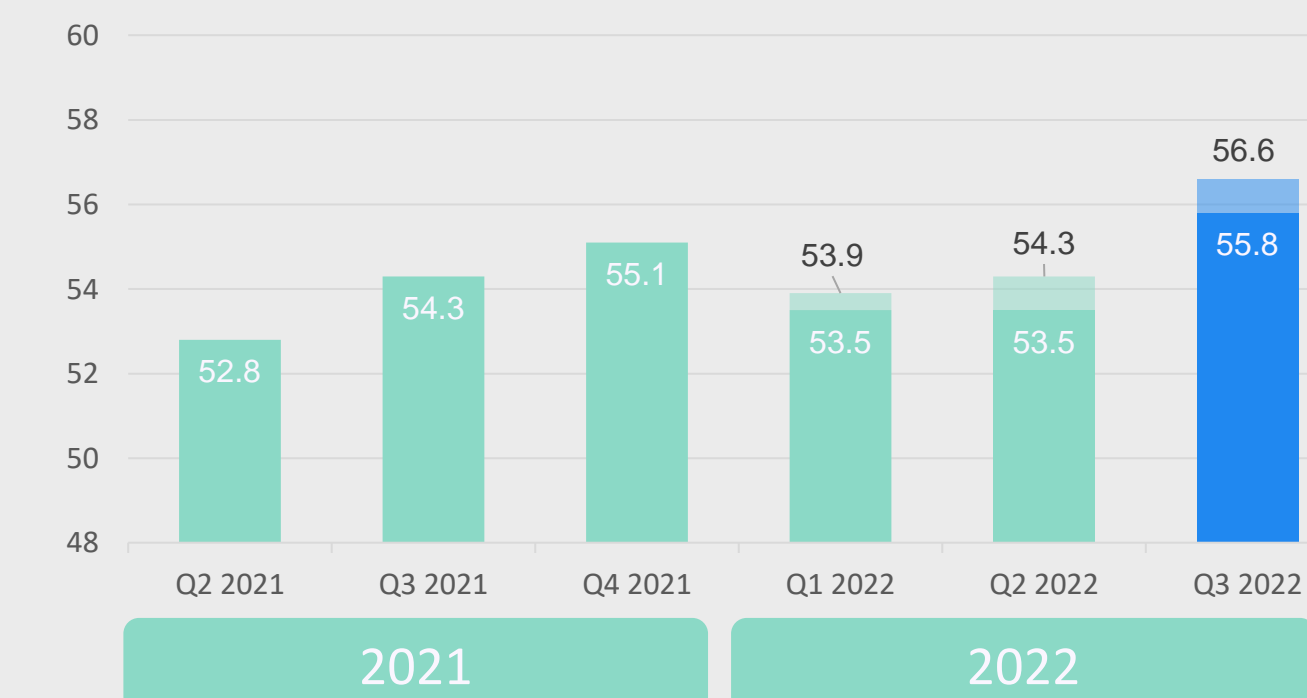
LOOKING AHEAD

- We confirm our EBIT guidance of EUR 30m for 2022, subject to assumption that no material macro-economic ECL adjustments will be required

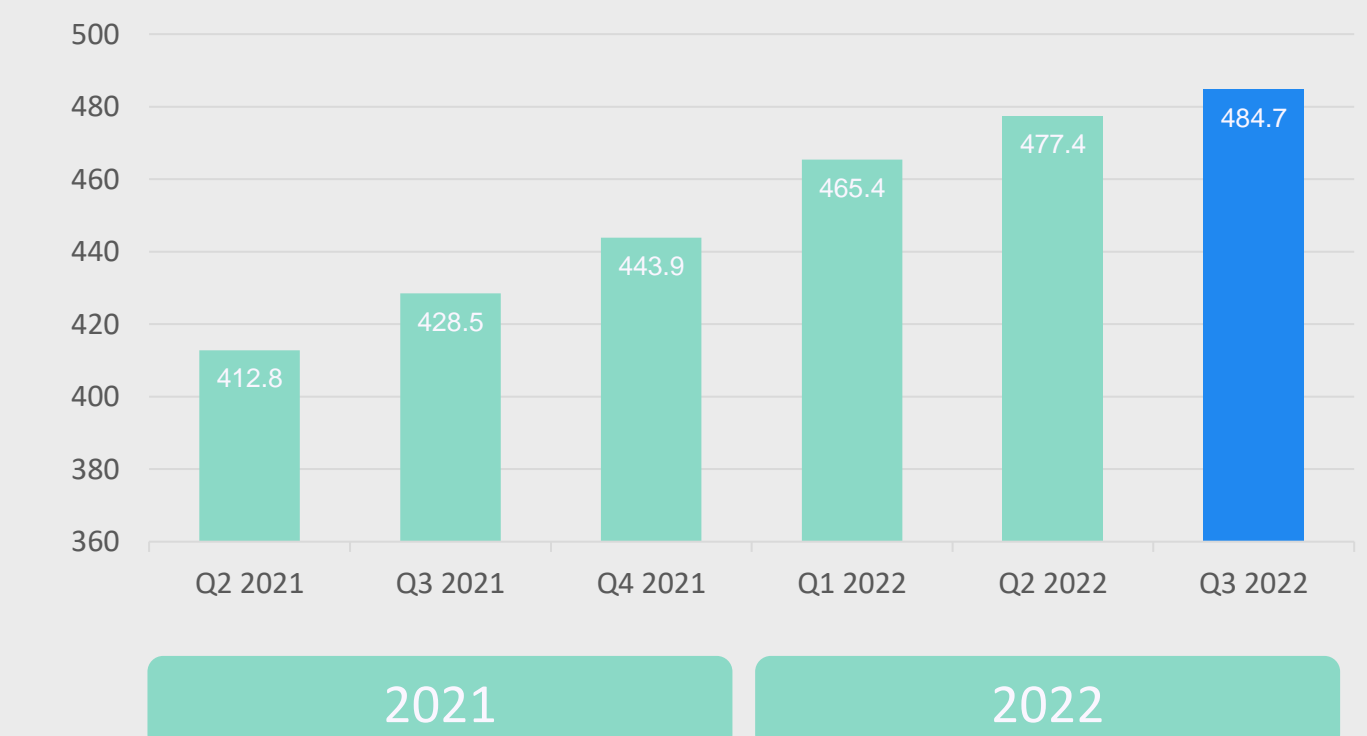
EBIT in EURm*



REVENUE in EURm**



NET AR in EURm



* 2021 amounts are restated to exclude the result of operations and cash flows from Ferratum UK Ltd.

** Delta relates to netting of customer acquisition cost (IFRS adj.)

SWEEP BANK HIGHLIGHTS 9M 2022

– GROWTH CONTINUES WITH SHIFT TOWARDS SHORT TERM PROFITABILITY



HIGHLIGHTS 9M 2022

- Strong revenue growth (+67.2% y-o-y)
- Solid lending portfolio growth (+51.7% y-o-y)
- Decisions to reduce operational and direct costs implemented. Full impact realised during H1 2023
- Customer intake in Prime lending in Sweden and Denmark put on hold to improve short-term profitability

FOCUS GOING FORWARD

- Shift focus from fast growth to profitable growth
- Focus towards products and countries with higher profitability
- Significant reductions in operational costs with the aim to reduce them by over 50%
- Focus on prime segment instalment loans with higher yield
- Suspend development of new mobile bank features and concentrate on expanding growth, from free digital credit card customer base

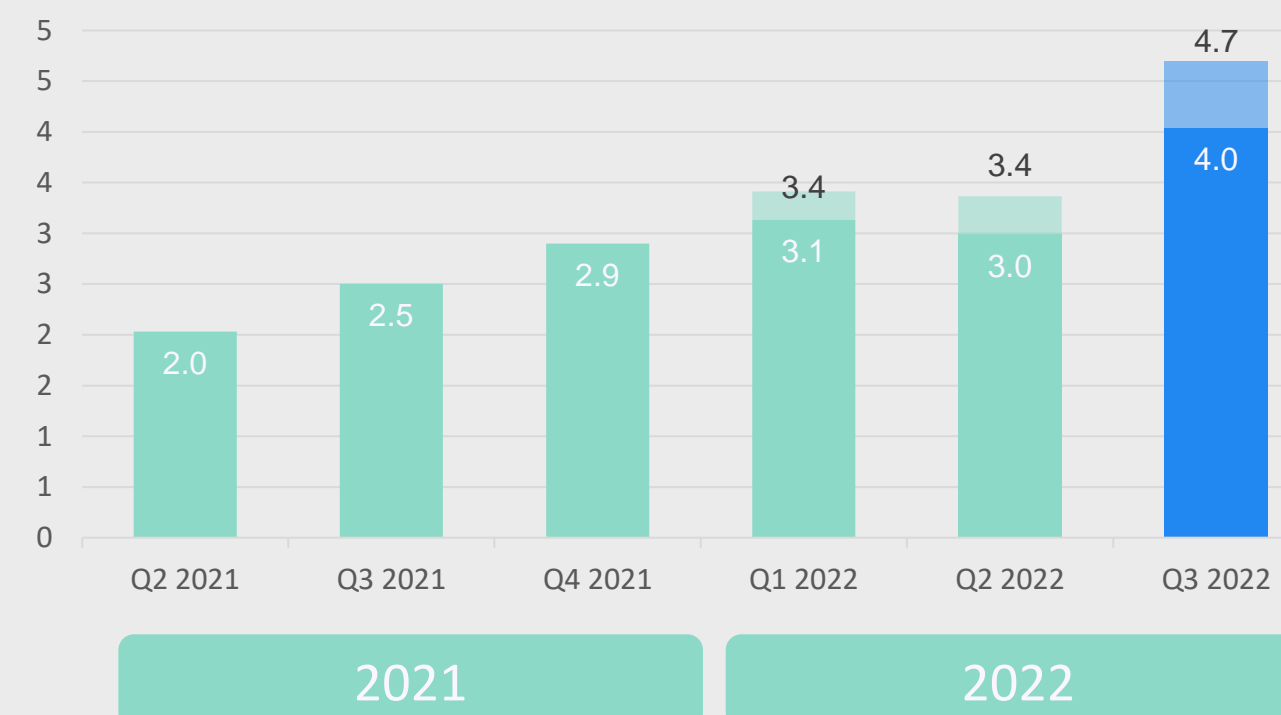
TARGETS 2023-2024

Our target for 2023 is to achieve around -10 EURm EBIT and in 2024 to achieve a positive EBIT

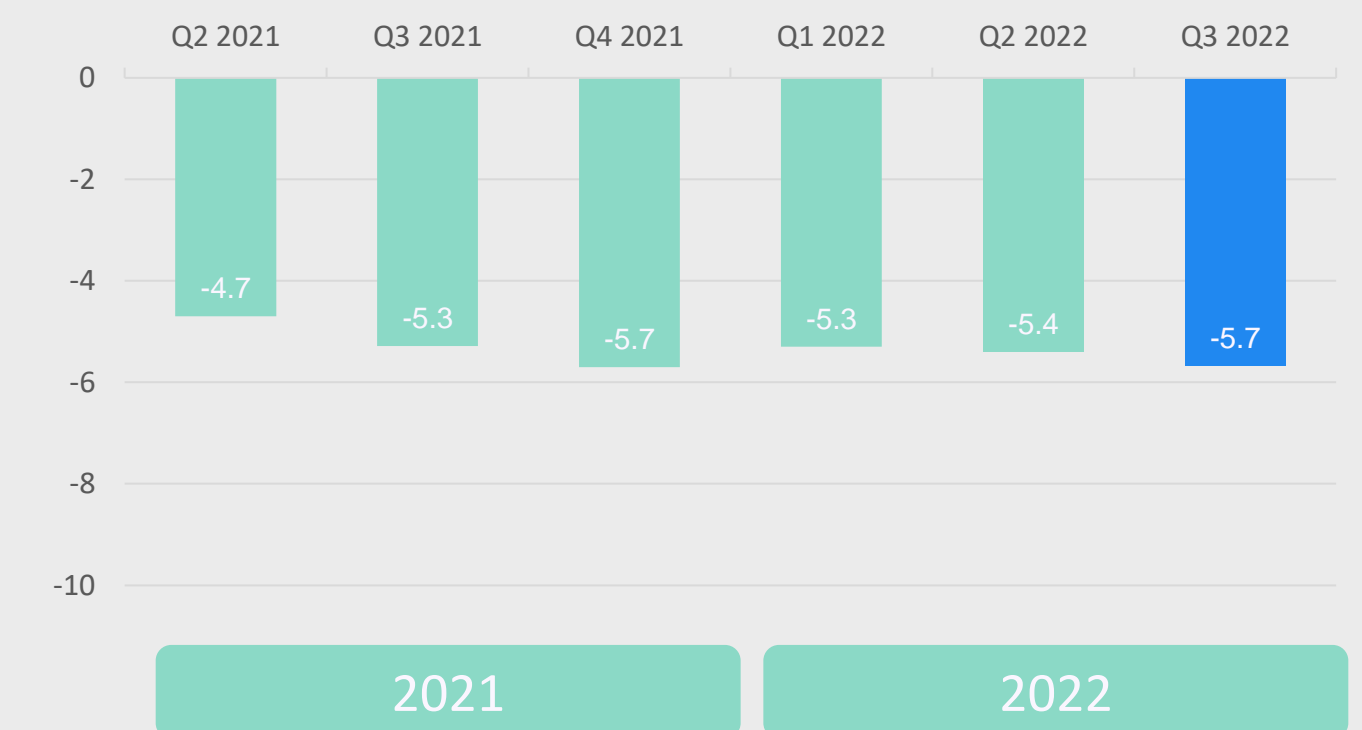
9M 2022 IN NUMBERS

PRODUCTS	MARKETS	CUSTOMERS
3	5	63,421

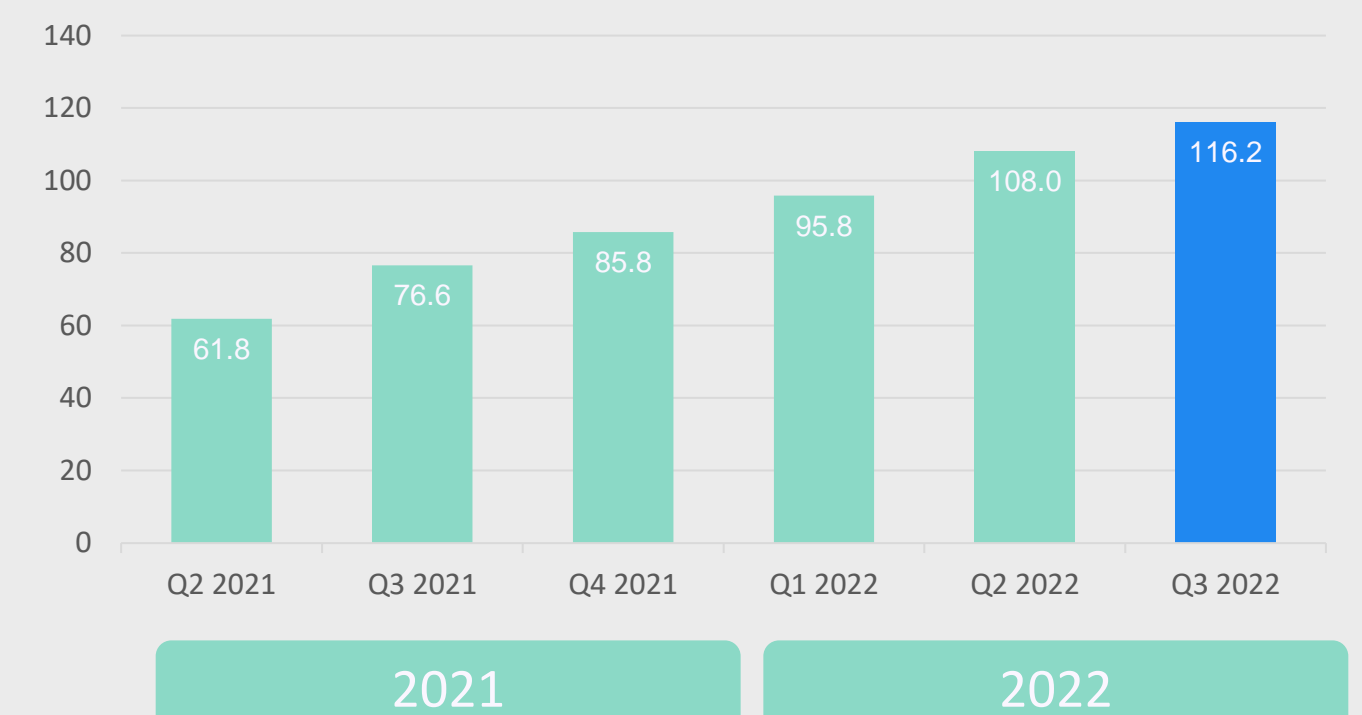
REVENUE in EURm*



EBIT in EURm



NET AR in EURm



* Delta relates to netting of customer acquisition cost (IFRS adj.)

FERRATUM HIGHLIGHTS 9M 2022

– SOLID PERFORMANCE CONTINUES



HIGHLIGHTS 9M 2022

- Stable revenue and EBIT development continues
- Portfolio quality remains robust
- Implementation of customer service outsourcing outside Europe in progress
- Loan portfolios sold in Sweden and Latvia, which reduced our Net AR

FOCUS GOING FORWARD

- Shift lending to higher profit countries
- Expand product portfolio and enter new countries
- Continue Credit Limit product rollout
- Strong cost control and process automation
- Credit risk and underwriting innovations

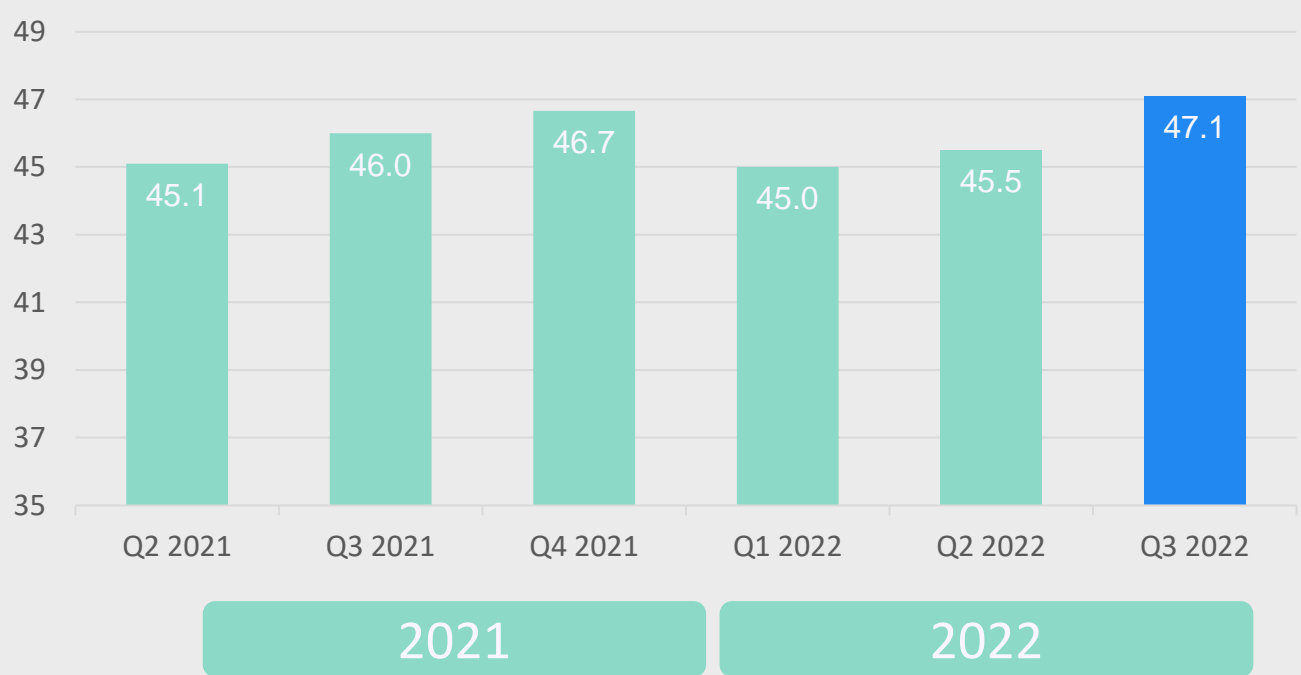
TARGETS 2023-2024

Our target for 2023 and 2024 is to achieve 5% higher EBIT than the previous year

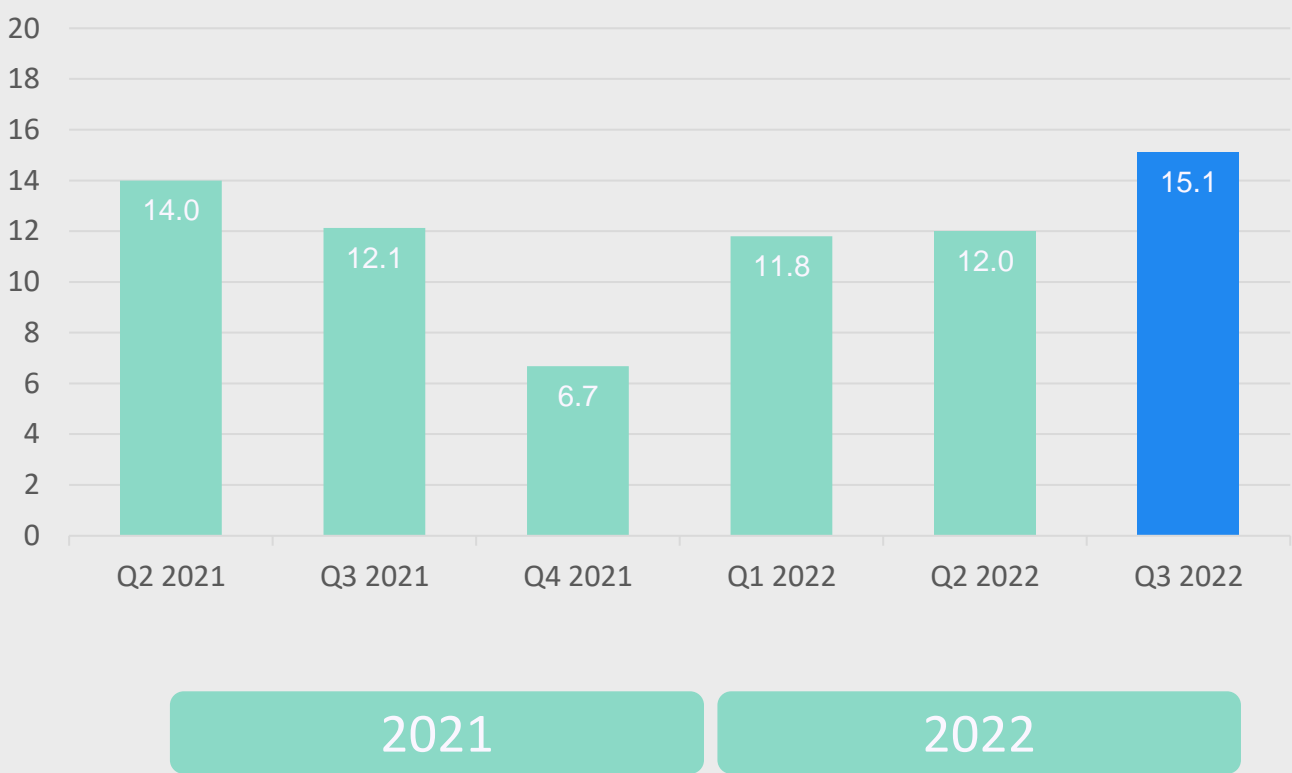
9M 2022 IN NUMBERS

MARKETS	PRODUCTS	NPS	CONTACT SHARE IN SELF SERVICE
15	3	68	75%

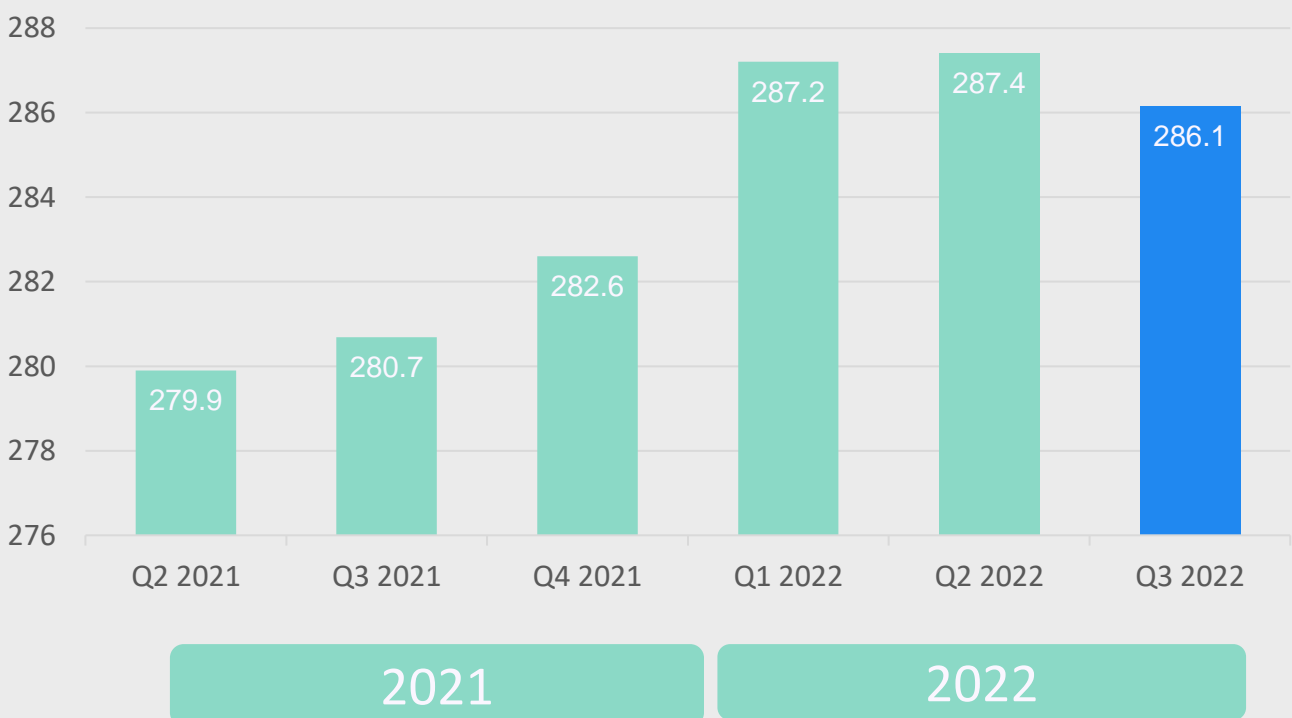
REVENUE in EURm



EBIT in EURm**



NET AR in EURm



**2021 amounts are restated to exclude the result of operations and cash flows from Ferratum UK Ltd.

CAPITALBOX HIGHLIGHTS 9M 2022

– TURNAROUND BACK TO GROWTH AND PROFIT IN PROGRESS



HIGHLIGHTS 9M 2022

- Revenue and EBIT below our expectations driven by internal performance during H1 2022
- Improvements in sales activity, cost reductions and credit loss control executed during Q3. Process continues during Q4. Full impact realised during H1 2023
- New Tribe CEO will start beginning of next year and the interim management team leads the turnaround until then

FOCUS GOING FORWARD

- Expand distribution channels
- Double the approval rate with product and underwriting innovations, while maintaining same credit risk level
- Full automation of underwriting and sales of all loan processes, leading to further reduction of fixed costs

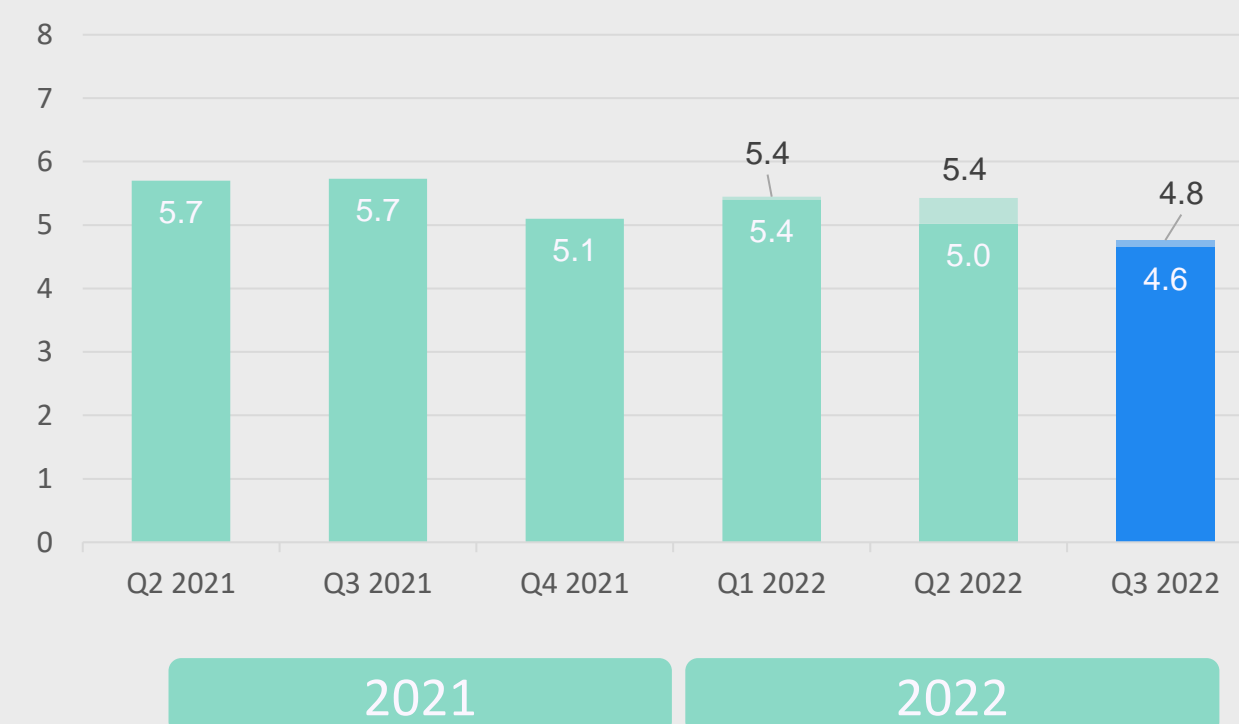
TARGETS 2023-2024

Our target for 2023 is to achieve 5 EURm EBIT and in 2024 to achieve 10 EURm EBIT

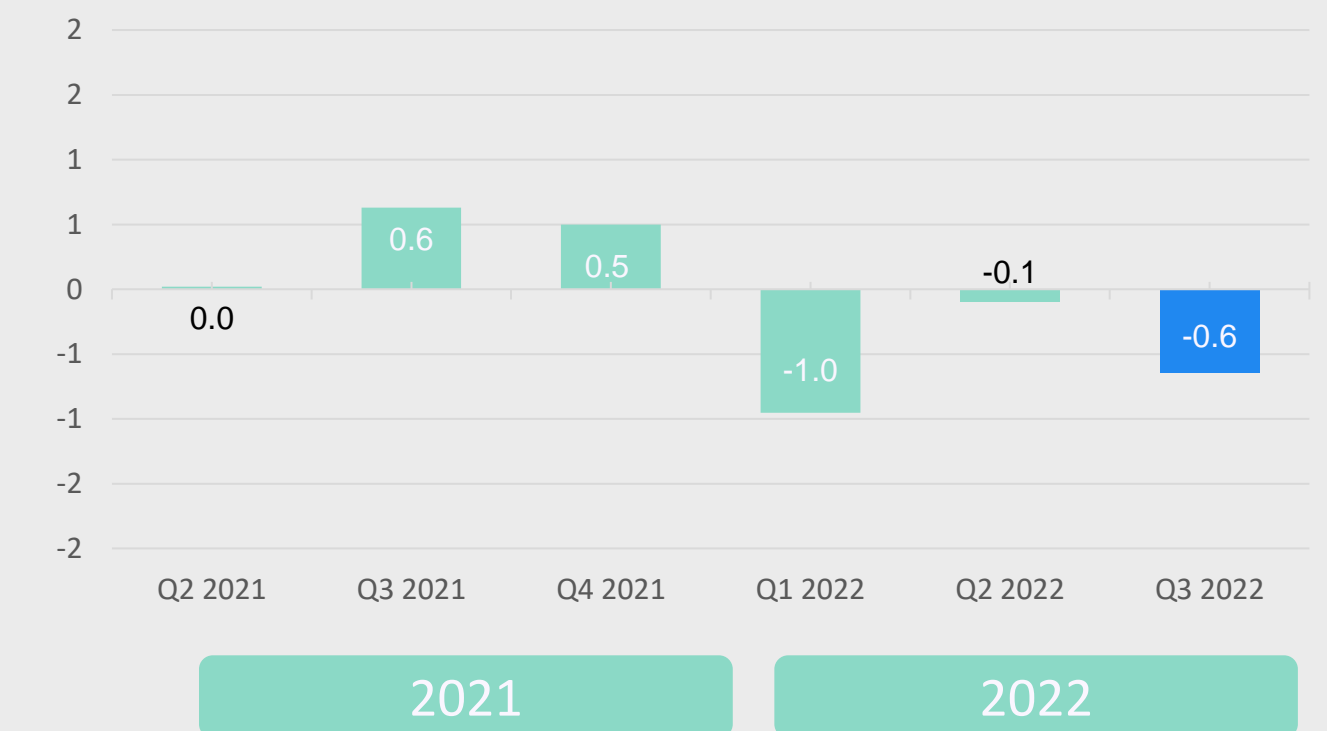
9M 2022 IN NUMBERS



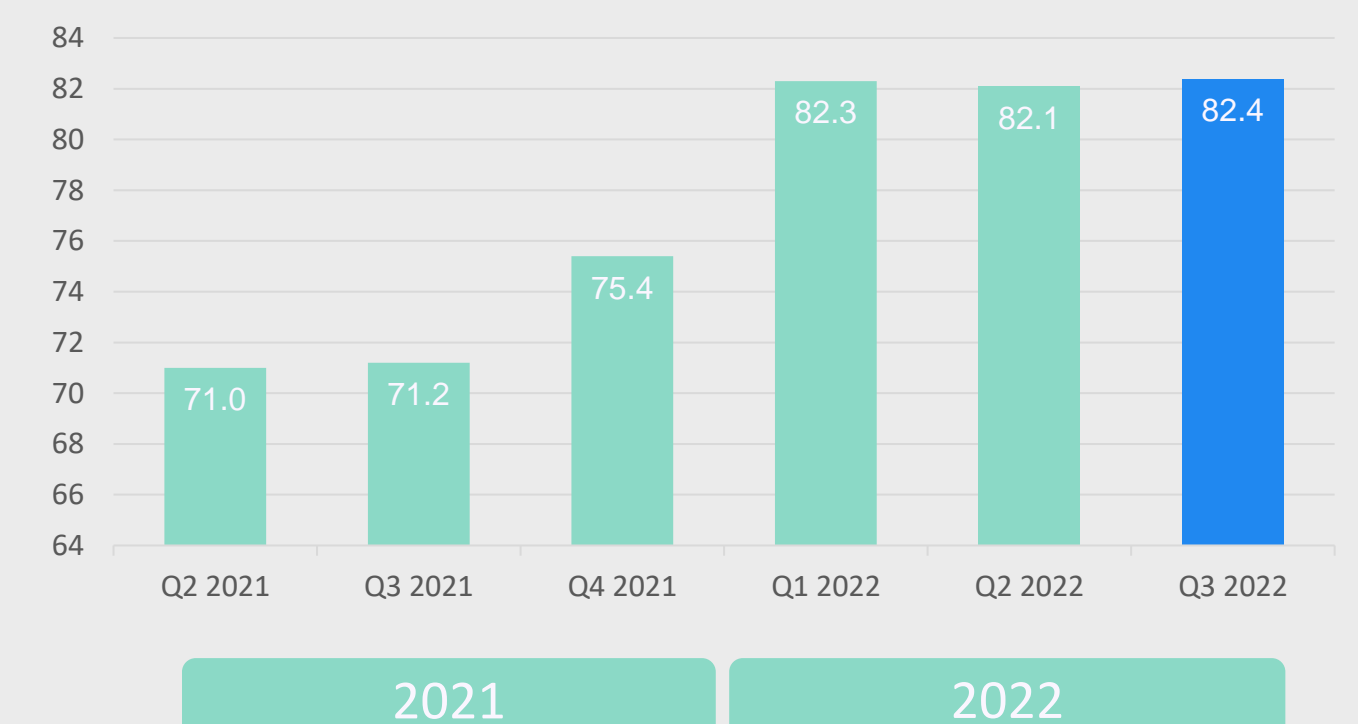
REVENUE in EURm*



EBIT in EURm



NET AR in EURm



* Delta relates to netting of customer acquisition cost (IFRS adj.)

BUILDING A SUSTAINABLE GROWTH PLATFORM – PROGRESS TOWARDS ESG GOALS



	 2025 GOALS	 2025 TARGETS	 PROGRESS
E	Understand and reduce the Group environmental footprint	Set and meet emissions targets for 2025 Carbon emissions reduction plan	Scope 2 and Scope 3 emissions baseline data under review and incorporation of data gap improvements
		SweepBank > 65% of Sweep app purchases are digital	Current Sweep app digital purchases: 39%
S	Monitor, report on and improve stakeholder well-being a) Our customers	Ferratum Responsible Lending Index Score $\geq 4.5^*$ $\geq 50\%$ content for customers is educational NPS ≥ 70	Responsible Lending Index Score: 4.3 >15% content for customers educational NPS: 68
		CapitalBox NPS ≥ 50	NPS: 40
		SweepBank NPS ≥ 50	Baseline definition in progress
	b) Training and development	Grow talent from within Performance and career development discussions bi-annually for all employees	Performance & career development discussions in H2 and final rounds of discussion in December and January.
		Average 15 hrs training per employee per year	On-track in line with previous years average of 15 hours
	c) Employee wellness	Drive employee engagement & retain top talent eNPS of 25	New hybrid work policy implemented Current: 12
	d) Diversity and Inclusion	Increased gender balance across leadership positions 38% of board and 35% of management are female	Diversity and Inclusion Statement approved by board Current board's female membership: 25% & Female management: 34%
G	Embed ESG conscious practices	d) Our stakeholders	Integrate materiality assessment outcomes into ESG strategic objectives
			Materiality Assessment in progress
		100% ESG Policy implementation and Human Rights assessment	ESG Policy and Human Rights statement adoption
		ESG assessment implemented for key suppliers	ESG assessment framework under revised procurement strategy in development

Notes: 1. Responsible Lending Index Scale of 1-5, higher is better. 2. NPS, eNPS, Responsible Lending and Female Leadership numbers reported bi-annually.

THANK YOU



ir@multitude.com

**MULTITUDE SE
RATAMESTARINKATU 11 A
00520 HELSINKI
FINLAND**