



**Listing of up to EUR 50,000,000 Subordinated Perpetual Floating Rate Callable Capital Notes**

**The Capital Notes were issued in denominations of EUR 1,000**

On 5 July 2021, Multitude SE (the “**Issuer**“ or the “**Company**“) issued subordinated perpetual floating rate callable capital notes with an aggregate principal amount of EUR 50,000,000 (the “**Capital Notes**“) based on an authorization given by the Issuer’s Board of Directors on 28 April 2021. The Capital Notes were issued in denominations of EUR 1,000. The Capital Notes were offered for subscription through a book-building procedure (the “**Offering**“). The Capital Notes bear interest at the rate of EURIBOR 3 months plus a margin of, (a) in respect of the period from (and including) 5 July 2021 (the “**First Issue Date**“), to (but excluding) 5 July 2026 (the “**Step-up Date**“), 8.90 per cent. per annum and, (b) in respect of the period from (and including) the Step-up Date, 13.40 per cent. per annum. **Payment of interest on the Capital Notes may be indefinitely deferred at the option of the Issuer, except under certain circumstances, as described in Clause 9 (Interest Deferral) of the Terms and Conditions of the Capital Notes.**

The Capital Notes have no maturity date, and the Issuer is not under an obligation to repay the Capital Notes at any specified date. The Issuer has the right to redeem the Capital Notes in whole, but not in part, on the Step-up Date or on any Interest Payment Date (as defined in the Terms and Conditions of the Capital Notes) thereafter and may also, at its option, redeem the Capital Notes in whole, but not in part, upon the occurrence of certain events as specified in the Terms and Conditions of the Capital Notes. The Capital Notes are unsecured and subordinated perpetual capital notes as described in more detail in the Terms and Conditions of the Capital Notes.

This listing prospectus (the “**Prospectus**“) contains information on the Offering and the Capital Notes. The Prospectus has been prepared solely for the purpose of admission to listing of the Capital Notes on the corporate bond list of Nasdaq Stockholm Aktiebolag, reg. 556420-8394 (“**Nasdaq Stockholm**“) and does not constitute any offering of the Capital Notes. Application will be made for the Capital Notes 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 October 2021, provided that Nasdaq Stockholm approves the listing application.

**The validity of this Prospectus expires when the Capital Notes 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 Bookrunner (as defined hereafter) have taken any action, nor will they take any action to render the public offer of the Capital Notes in any jurisdiction or their possession, or the distribution of this Prospectus or any other documents relating to the Capital Notes admissible in any other jurisdiction than Finland, Sweden or Norway requiring special measures to be taken for the purpose of public offer.

The Capital Notes 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 Capital Notes 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 Issuer has been rated by the international credit rating agency Fitch Ratings Inc with a rating B+. The outlook is negative. The Capital Notes have been assigned a credit rating of B-/RR6 by Fitch Ratings Inc. **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 Capital Notes involves certain risks. The principal risk factors that may affect the ability of the Issuer to fulfil its obligations under the Capital Notes are discussed under “Risk Factors“ below.**

*Bookrunner:*



## 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 and the Commission Delegated Regulation (EU) 2019/980, in application of the Annexes 8 and 16 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 65/02.05.04/2021) 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 Capital Notes nor the Issuer. This Prospectus has been drawn up as a simplified prospectus in accordance with Article 14 of the Prospectus Regulation. 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 SE and its subsidiaries and associated companies, on a consolidated basis, except where the context may otherwise require. All references to the “**Issuer**” and the “**Company**” refer to Multitude SE, 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*”.

Pareto Securities AB has acted as the bookrunner in connection with the issue of the Capital Notes (the “**Bookrunner**”). The Bookrunner is not acting for anyone else in connection with the Offering 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 Bookrunner 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 authorized by the Issuer and the Bookrunner. The Bookrunner has not independently verified information contained herein. The Bookrunner assumes 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 and nothing contained in this Prospectus is, or shall be relied upon as, a promise or representation by Multitude or the Bookrunner 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 must rely on their examination, analysis and enquiry of Multitude and the terms and conditions of the Capital Notes, including the risks and merits involved. Neither Multitude, nor the Bookrunner, nor any of their respective affiliated parties or representatives, is making any representation to any offeree or subscriber of the Capital Notes regarding the legality of the investment by such person. Investors are required to make their independent assessment of the legal, tax, business, financial and other consequences of an investment in the Capital Notes.

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 authorized 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 Capital Notes, or otherwise to permit a public offering of the Capital Notes, in any jurisdiction. Multitude and the Bookrunner expect persons into whose possession this Prospectus comes to inform themselves of and observe all such restrictions. Neither Multitude nor the Bookrunner accept any legal responsibility for any violation by any person, whether or not a prospective purchaser of Capital Notes is aware of such restrictions. In particular the Capital Notes 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 Capital Notes and this Prospectus may not be sent to any person in the beforementioned jurisdictions.

Save for the Company’s audited consolidated financial statements as at and for the financial year ended 31 December 2020, including the unaudited comparative consolidated financial information for the financial year ended 31 December 2019 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 (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 Offering and the Capital Notes are governed by Swedish law and any dispute arising in relation to the Offering and the Capital Notes shall be settled exclusively by Swedish courts in accordance with Swedish law.

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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 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. Multitude 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 SE
Address:	Ratamestarinkatu 11 A, FI-00520 Helsinki, Finland
Telephone:	+358 50 3539595
Business code:	1950969-1
Legal entity identifier (LEI):	74370078YLPFWHE33716

The details of the Capital Notes are as follows:

ISIN:	NO0011037327
Name:	Multitude SE Capital Notes

This Prospectus has been approved by the FIN-FSA as the competent authority under the Prospectus Regulation on 20 October 2021.

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

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

##### *General*

The business name of the Issuer is Multitude SE and it is domiciled in Helsinki, Finland. The Issuer is registered with the Finnish Trade Register under business identity code 1950969-1 and its legal entity identifier code (LEI) is 74370078YLPFWHE33716. The Issuer is a Societas Europaea incorporated in Finland and operating under Finnish law, however, the Issuer is currently in the process of relocating its registered office to Germany.

##### *Principal Activities*

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 centralized technology infrastructure and sales experts. As a pioneer in digital and mobile financial services technology, the Group is at the forefront of the digital banking revolution. The Group has EU

wide banking license 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 units: Ferratum, CapitalBox and SweepBank, offering its customers fast and easy-to-use mobile lending and banking services, unsecured digital consumer loans and small business loans. Ferratum business unit, facilitating some 86 per cent. of the Group's revenues, provides consumers across 14 markets with unsecured digital consumer loans. CapitalBox business unit, facilitating some 11 per cent. of the Group's revenues, provides business loans for small and medium sized enterprises in six European markets. SweepBank business unit, facilitating some 3 per cent. of the Group's revenues, provides lending and payment services in 4 markets across Europe, in which it also contemplates to provide mobile banking services in future.

The Group constitutes of autonomous, pioneering businesses for financial services in their own individual business units of financial services. These forerunner businesses 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 Shareholder*

As at the date of this Prospectus, Jorma Jokela, the CEO, controls approximately 55.19 per cent. of the shares in the Issuer directly and indirectly through corporations over which he exercises control. Accordingly, Jorma Jokela has control over the Issuer as referred to in Chapter 2, Section 4 of the Finnish Securities Market Act (*Fi: arvopaperimarkkinalaki, 746/2012*).

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

The members of the Board of Directors of the Issuer are Fredrik Strange (Chairman), Jorma Jokela, Lea Liigus, Clemens Krause, Michael A. Cusumano, Goutam Challagalla and Juhani Vanhala.

The Issuer's Management Team consists of Jorma Jokela, Lea Liigus, Bernd Egger, Shaun Vella, Aksels Neilands, Daniel Kliem, Ari Tiukkanen, Kristjan Kajakas, Adam Tønning, Antti Kumpulainen, Julia Chatterjee, Oscar Barkman and Kornel Kabele.

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

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

The selected historical key financial information presented below has been derived from Multitude's unaudited consolidated Half-year Report as at and for the six months ended 30 June 2021, including the unaudited comparative consolidated financial information as at and for the six months ended 30 June 2020, as well as audited consolidated financial statements as at and for the financial year ended 31 December 2020, including the unaudited restated comparative consolidated financial information for the financial year ended 31 December 2019.

In 2020, as part of adoption of IFRS 9, Multitude changed an accounting policy for measurement of deferred taxes retrospectively and the comparative financial information for the year ended 31 December 2019 has been restated accordingly. Further, in 2019 the group transferred its lending business from Ferratum Finland Oy to Ferratum Denmark ApS under the Ferratum Bank p.l.c and the sale of outstanding portfolios realised the previously recorded credit losses in taxation. The Group records deferred tax assets for temporary differences arising from credit loss reserves and deferred tax assets are derecognised through profit and loss when the tax asset is realised. Consequently, the change in deferred tax assets should have been recorded in 2019. The error has been corrected retrospectively and the group has restated the relevant comparative financial information accordingly.

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

	As at and for the six months ended 30 June		As at and for the year ended 31 December	
	2021	2020	2020	2019 (restated, unaudited)
(EUR in millions, unless otherwise indicated)	(unaudited)		(audited)	
<b>KEY FIGURES</b>				
Operating profit	13.1	10.0	23.0	45.5
Net debt	(337.9)	(284.4)	(282.2)	(310.1)
Net debt to equity	2.87	2.27	2.49	2.67
Net Cash flows from operating activities	38.5	257.7	140.4	22.5
Net Cash flows from financing activities	(1.7)	(19.8)	(43.3)	(28.0)
Net Cash flow from investing activities	(6.2)	(7.3)	(13.7)	(7.3)

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

- 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 itself as a mobile bank or mobile wallet or the development of a mobile bank could prove to be costlier than expected.
- The Group may be exposed to disruptions in information systems or external telecommunication infrastructure worldwide.
- 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 required licences to operate in the consumer loan business.

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

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

The Capital Notes, including the obligation to pay interest thereon, constitute unsecured, unguaranteed and deeply subordinated obligations of the Issuer ranking behind all claims of unsubordinated creditors of the Issuer.

The Capital Notes are dematerialised securities in book-entry form and registered in the book-entry system maintained by Verdipapirsentralen ASA. The ISIN of the Capital Notes is NO0011037327. The currency of the Capital Notes is the euro. The Capital Notes were issued in denominations of EUR 1,000. The aggregate nominal amount of the Capital Notes as at the First Issue Date was EUR 50,000,000. The minimum permissible investment in a Capital Notes Issue is EUR 100,000. The Issuer may on one or more occasions issue additional Capital Notes amounting to maximum EUR 50,000,000 in aggregate (together with the initial Capital Notes Issue, in total EUR 100,000,000 (each a "Subsequent Capital Note").

The Capital Notes are freely transferable after having been registered into the respective book-entry account. Noteholders, however, may be subject to purchase or transfer restrictions with regard to the Capital Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder must ensure compliance with such restrictions at its own cost and expense.

The Capital Notes are securities with no specified maturity date. The Issuer is not required to redeem the Capital Notes at any time and they are not redeemable on demand of the Noteholders (as defined in the Terms and Conditions of the Capital Notes) of the Capital Notes. Interest accrues on the Capital Notes and may only become

payable in accordance with Terms and Conditions of the Capital Notes. The Issuer may, in its sole discretion, except under certain circumstances, as described in the Terms and Conditions of the Capital Notes, elect to defer any interest payment which would otherwise be due. The Noteholders of the Capital Notes exercise their right of decision by attending a noteholders' meeting or participating in a written decision-making procedure.

In the event of a voluntary or involuntary liquidation (Fi. *Selvitystila*) or bankruptcy (Fi. *Konkurssi*) of the Issuer, the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank: (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes; (ii) in priority to all present or future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note; and (iii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness.

In the event of a company reorganization (Fi. *Yrityssaneeraus*) of the Issuer under the Finnish Business Reorganization Act (47/1993, as amended) (unless previously redeemed), the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes; (ii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness; and (iii) in priority to all present and future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note.

Further, as the Issuer is expected to relocate to Germany, after such relocation, in the event of a voluntary or involuntary liquidation (*Liquidation*) or bankruptcy (*Insolvenz*) of the Issuer, the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank: (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes; (ii) in priority to all present or future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note; and (iii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness.

In the event of a company restructuring (*Verfahren unter dem Unternehmensstabilisierungs- und Restrukturierungsgesetz*) of the Issuer under the Gesetz über den Stabilisierungs und Restrukturierungsrahmen (as amended), the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon and such claims will rank: (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes; (ii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness; and (iii) in priority to all present and future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note.

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

Application will be made to have the Capital Notes listed on Nasdaq Stockholm and the Listing is expected to take place on or about 27 October 2021, provided that Nasdaq Stockholm approves the listing application.

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

- Capital Notes are subject to contractual and structural subordination which increases the Noteholders' credit risk in respect of the Issuer.
- Any portion of the Capital Notes could become subject to a write-down or otherwise converted to equity as determined by the Resolution Authority.
- There are limited rights in relation to the enforcement of payments on the Capital Notes.

- The Capital Notes constitute perpetual obligations.
- The Issuer has the right to defer interest payments.

## **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 Capital Notes were offered for subscription through a book-building procedure in a minimum amount of EUR 100,000. The Capital Notes were issued on 5 July 2021.

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

In connection with the Offering, the Issuer paid approximately a total of EUR 1.2 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 Capital Notes.

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

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

The aggregate net proceeds to the Issuer from the Offering, after deduction of the fees and expenses payable by the Issuer, were approximately EUR 48.55 million.

The proceeds have, on or about the issue date, been used for general corporate purposes, including repurchase of Ferratum Capital Germany GmbH's existing senior unsecured notes.

### ***Material Interests***

The interests of the Bookrunner are normal business interests in the financial markets. Further, the Bookrunner acted as the tender agent in connection with the redemption of the Ferratum Capital Germany GmbH's existing senior unsecured notes.

The Bookrunner and/or its Representatives may hold shares, options or other securities of the Group and may, as principal or agent, buy or sell such securities. The Bookrunner 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 Capital Notes. It should be noted that the Group may have interests that conflict with other noteholders particularly if the Group encounters difficulties or is unable to pay its debts as they fall due.

## RISK FACTORS

*Investors considering investment in the Capital Notes 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 materialize, 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 Capital Notes, the market price and value of the Capital Notes. This description is based on information and values known and assessed at the time of preparing this Prospectus, and, therefore, the description of the risk factors is not necessarily exhaustive. The risks involved in an investment in the Capital Notes 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 Capital Notes as well as the market price and value of the Capital Notes. All investors should make their own evaluations of the risks associated with an investment in the Capital Notes 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 Capital Notes; and*
- F. Risks Relating to the Noteholders' 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 Issuer, taking into account the negative impact on the Issuer 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 materialization.*

*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 Capital Notes (the "Terms and Conditions of the Capital Notes").*

### **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.***

Due to its engagement in the market for small consumer loans, the Group's business is dependent on consumer spending trends in the countries it operates. Any period of economic slowdown, recession or any other negative macroeconomical factor in such countries as a result of, for example, a pandemic, could result in adverse developments in consumer spending. In 2020, in order to mitigate the risk of the COVID-19 pandemic, the Group seized its lending operations in 5 markets, which resulted in a decline in revenue and operating profit. Even though the Group estimates that it mitigates the effects of the COVID-19 pandemic well, there is an inherent risk that

further adverse developments, due to, for example, a negative soar in new COVID-19 cases in key markets or wide spread government-imposed lockdown, could result in declining demand for the Group's services making 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 and thereby reduce the Group's revenues. 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 developments in economic conditions in countries in which the Group operates and in which the Group's customers are located could result in losses and adversely affect the Group's business, results of operations and financial condition.

#### **Medium level risk**

***2. 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 procedures, are refined and updated on an on-going basis, there is a risk that the Group's risk management procedures may prove insufficient. 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. 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 losses to revenues could significantly adversely affect the Group's financial, economic and liquidity condition.

#### **Medium level risk**

***3. 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 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 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 planned 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 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**

##### ***4. 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 business units relate to its Microloans (loans in the range of EUR 25-1,000) and Plusloans (loans in the range of EUR 300-5,000), as well as its Prime Lending offering (loans of up to EUR 30,000 with longer tenors than Microloans and Plusloans). 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 consumer loans, the Group may be 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 may experience a decrease in demand for its products if consumers accept the characterization 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 affect to the Group's business operations. As a result of the negative press coverage, the Group's operations and products may also become subject of tightening regulatory and transparency requirements. Any tightening regulatory requirement may increase the Group's costs relating to compliance and thereby affect to 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 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. Even though the management estimates that its existing underwriting process and processes of building impairments for expected credit losses work well, there is a risk that impairments for expected credit losses need to be increased which in turn would adversely affect the Group's financial performance. For example, when the COVID-19 pandemic emerged, general expectation was that the pandemic could result in a deterioration of macro-economic variables, which in turn could have an impact of future credit losses. Consequently, the Group has built incremental credit loss impairments of EUR 7.8 million in Q1 2020. Up until now, the actual payment behavior has not deteriorated since then, but the Group has not released any of the reserve to date.

Furthermore, as the amounts recognized in the financial statements are sensitive to the accounting policies, assumptions and estimates that underlies the preparation of financial statements, the relevant scenarios to derive the unbiased and probability weighted expected credit losses are sensitive to the judgement of the management. As part of the process of measuring expected credit losses, management judgement is applied in determination of scenario setting and assignment of probability weighting for each scenario, with quantitative analysis of historical economic performance and qualitative analysis of macroeconomic environment. There can be no assurance that the judgements made by the management would prove to be accurate.

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.

## **Medium level risk**

- 3. The Group is exposed to the fraud-related losses.***

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 losses due to the criminal behaviour of its customers. Even though historically the adverse financial impact of fraud-related losses has been limited (less than 1 per cent. of total credit loss impairments), there can be no assurance that such activities would not increase in the future resulting in greater losses for the Group. This could have a material adverse effect on the Group's business prospects, financial condition and results of operations.

## **Medium level risk**

- 4. The Group may be unsuccessful in establishing itself as a mobile bank or mobile wallet or the development of a mobile bank could prove to be costlier than expected.***

Since the Group started its drive to become a mobile bank it has developed the offering further to a mobile wallet. In this regard, 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 to its anti-money laundering risk, foreign exchange risk, liquidity risk, operational risk and fraud risk systems and processes. However, SweepBank's new offering is still at an relatively early stage. Should the Group be unsuccessful to establish itself as a mobile bank, mobile wallet or if this strategy is delayed or more costly than expected, this could jeopardize 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 results of operations.

## **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 majority shareholder Jorma Jokela as well as key management members in IT, legal, operational, financial as well as risk and analysis positions. 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, financial condition, and result of operations.

#### **Low 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. The Group improves its current systems continuously and has developed new systems, and introduced comprehensive maintenance schemes for its existing software. The Group utilizes 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 web-based 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, despite the comprehensive maintenance efforts and careful development of the IT systems, they might fail and there might be interruptions of the IT systems which would significantly impact the Group's processes and operations and, among other things, the Group's ability to carry out its regulatory and other reporting obligations. Damage to the Group's IT systems and software or failure to protect its data against a cyber-attack will have a material adverse effect on the Group's business, financial condition, and results of operations.

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. There is inherent risk of disruption in the Group's IT or telecommunication systems resulting from, for example, equipment or infrastructure failures, strikes, piracy, terrorism, weather-related problems, or other events. Any disruption in the Group's IT or telecommunication systems could temporarily impair the Group's ability to supply its product portfolio to its customers as well as result in measures taken by authorities or reputational damage, all of 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.***

According to Multitude's strategic priorities in 2021-2024, the Group is currently looking for expansion opportunities in new markets and through M&A. Despite the mitigative measures taken due COVID-19, the Group is currently evaluating potential market entries. 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 Brazil in 2017, Norway in which the Group entered in 2015 or Germany and Romania which the Group entered in 2014. 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 high-quality 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 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 reach its strategic priorities set for the period of 2021-2024 and 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.

## 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 operates in a business that is heavily regulated. 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.

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 license requirements, maximum interest rate provisions, transparency requirements or other regulatory requirements.

For instance, there is a risk that the Finnish financial supervisory authority in the future would be of the view that, or issue an interpretation to the effect that, the Group's operations would be considered to require an authorisation or licence in Finland, since the Issuer in its capacity as parent company of the Group is incorporated in Finland, which the Group does not currently hold. In such case, the Issuer or another entity within the Group would need either to apply for such authorisation or licence or to restructure the business in such manner that it will be compliant with the new requirements. For example, the FIN-FSA has considered that the Issuer fulfils the criteria of a financial holding company under Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (the "CRD IV" (as amended by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending the CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures the ("CRD V")) and, therefore, would be required to seek for an approval from the Malta Financial Services Authority and the FIN-FSA in accordance with the CRD IV and the implementing Finnish legislation. The Issuer has on 28 June 2021 filed an application for exemption from the approval requirement in accordance with the CRD IV and the Finnish implementing legislation.

However, should the exemption not be granted, the Group is expected to apply for the relevant license. The application for, and holding of, the additional license that is subject to Finnish law would add regulatory burden and complexity to the administration of the Group compared to the situation where only Ferratum Bank p.l.c. in Malta has a credit institution license. Furthermore, the license requirement for a financial holding company is new so there is no established practice on such licenses. Therefore, the Group considers there to be an additional risk of inconsistent regulatory practice and divergent interpretations when implementing the new requirement on the Group. Furthermore, to the knowledge of the Issuer's management, Malta has not implemented the CRD V yet and, therefore, there is uncertainty as to how the new license requirement should be applied in this transition period. Ambiguity in application of the new license requirement may call for increased management attention and cause additional and unexpected costs for the Group.

As at the date of this Prospectus, the exemption application is still pending. Furthermore, there can be no assurance whether Germany's financial regulator, Federal Financial Supervisory Authority, would, after the relocation to Germany, bind themselves to a prior assessment of the FIN-FSA regarding whether the Issuer would be exempt from a financial holding license requirement.

Adverse judgments regarding authorisations or licenses 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. Additionally,

such developments could lead to unexpected costs. 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. There is a risk that future regulatory changes may be too burdensome to comply with or may result in its business model in a particular jurisdiction becoming unprofitable. Such developments could have a material adverse impact on the financial and market position of the Group.

#### **Medium level risk**

##### ***2. The EU 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) (the “CDD”) was adopted in April 2008 and entered into force in May 2008 and the Member States were obliged to harmonize their legislation by May 12, 2010. To serve the purposes of consumer protection and credit transparency, the CDD mandates disclosure of a standardized 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 organizations, 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.

On 1 July 2021, the European Commission issued a proposal for a directive on consumer credits repealing and replacing the CDD. The draft directive proposes revisions to a number of provisions of the current CDD, including changes targeted to increase transparency and responsible lending practices. As at the date of this Prospectus, it is unclear what obligations the final directive may set, but, even though the Group views the amendments positive and aligned with the Group’s principles, there would be system and procedural updates required which would result in additional costs for the Group. Amendments to the CDD, or other new or amended statutory requirements regarding the national laws, as well as other mandatory consumer protection laws and regulations, might require the Group to further adapt its practices and procedures. Such statutory changes and/or additions may negatively impact the Group’s financial position with unexpected costs and may require changes to the Group’s business model. It is additionally possible that consumers, consumer protection organizations, 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. There is a risk that the Group may be in breach of applicable laws in the future. Should such risks materialise, it will 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 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.

#### **Low level risk**

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

The local financial authorities of some jurisdictions 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 operations.

#### **Low level risk**

**5. *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. Ferratum Bank p.l.c., the entity holding the banking licence under which the Group operates, is currently categorised as a less significant institution ("LSI"). 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. Furthermore, Ferratum 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. It is possible that a higher degree of regulatory requirements will result in higher compliance costs as well as increased bureaucracy within the institution, which could negatively impact profitability and reduce the organizational flexibility that is typically more inherent to entities that are subject to less stringent regulatory requirements. Additional oversight may also lead to increased costs in other areas, such as on statutory external audits which become more exhaustive and intrusive, as well as the resources that are required in order to manage and support such audits. Further, a higher degree of regulatory requirements may also reduce the organizational flexibility. The aforementioned effects could result still if Ferratum Bank p.l.c. remains as LSI, but is considered as high-priority LSI instead of low-priority LSI, which would also lead to a higher level 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.

#### **Medium level risk**

**6. *The Group is dependent of the Group's Maltese banking subsidiary.***

The Group operates in several markets making use of Ferratum 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. Ferratum 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 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.

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

##### **High 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, recognized assets and liabilities, and net investments in foreign operations. Adverse foreign exchange fluctuations against the Euro (the Group's reporting currency), especially in the Swedish, Polish, British, Australian, Danish and Czech currencies could have a material adverse effect on the Group's business, financial condition, and results of operations.

##### **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. 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. 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.

##### **Medium level risk**

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

In order to support its growth and geographical expansion, the Group depends on external funds from credit and capital markets. If such external funds are not available under affordable terms, the Group may be required to take measures to conserve cash until the markets stabilize 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. The Issuer has currently been assigned a credit rating of B+ by Fitch Ratings Inc. Should there be an adverse change in the credit rating assigned to the Issuer, it may reduce the Group's access to future financing and result in increased interest rates on future debt. A downgrade in the Issuer's existing credit rating may result from factors specific to the Group's business or from other factors, such a general economic weakness or sovereign credit rating ceilings. 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.

##### **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, amongst others, a EUR 100 million bond issued by the Issuer in 2018 at a floating interest of 3 month EURIBOR plus a margin of 5.5 per cent. and a EUR 80 million bond issued by the Issuer in 2019 at a floating interest of 3 month EURIBOR plus a margin of 5.5 per cent. These borrowings expose the Group to a cash flow interest rate risk.

Should the risks relating to cash flow interest rate risk materialise in the future, this could have a material adverse effect on the Group's business, financial condition, and results of operations.

#### **E. Risks Relating to the Nature of the Capital Notes**

##### **High level risk**

##### **1. *Capital Notes are subject to contractual and structural subordination which increases the Noteholders' credit risk in respect of the Issuer.***

The Capital Notes represent unsecured, deeply subordinated debt obligations of the Issuer and are currently the most junior debt instruments of the Issuer. This means that if the Issuer is subject to any liquidation, bankruptcy, restructuring, administrative or other bankruptcy or insolvency proceedings, the investors normally receive payment after all other creditors have been paid in full. Hence, in relation to such liquidation or bankruptcy, restructuring, administrative or other bankruptcy or insolvency proceedings of the Issuer, investors' claims for the principal amount of their Capital Notes and any accrued and unpaid interest therein will rank *pari passu* with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes (as defined in the Terms and Conditions of the Capital Notes). Furthermore, claims will rank junior in right of payment to any present or future claims of all unsubordinated obligations of the Issuer and all subordinated indebtedness. In relation to a liquidation or bankruptcy, claims will however rank in priority to all present and future claims in respect of the shares of the Issuer and any other obligations of the Issuer expressed to rank junior to the Capital Notes or any Parity Notes. The investors' possibility to receive payment under the Capital Notes is dependent on the Issuer's ability to fulfill all its senior payment obligations, the fulfillment of which is highly dependent on developments in the Issuer's business and financial performance. Accordingly, any adverse change in the financial condition and prospects of the Group may adversely affect the liquidity, value and market price of the Capital Notes and significantly reduce the probability that the Noteholders will receive prompt and full payment in respect of the Capital Notes.

There is no restriction in the Terms and Conditions of the Capital Notes in relation to incurring, issuing or guaranteeing debt ranking senior to or *pari passu* with the Capital Notes. The Issuer and its subsidiaries may incur additional indebtedness or issue guarantees in respect of indebtedness or guarantees of third parties. Furthermore, in the event of insolvency, liquidation or a similar event relating to one of the Issuer's subsidiaries, all creditors of such company would be entitled to payment in full out of the assets of such subsidiary before the Issuer, as a shareholder, would be entitled to any payments. Thus, the Capital Notes are structurally subordinated to the liabilities of such subsidiaries. Incurring such additional indebtedness may reduce the amount (if any) recoverable by investors if the Issuer is subject to any dissolution, winding-up, liquidation, restructuring, administrative or other bankruptcy or insolvency proceedings and may increase the likelihood of that interest payments under the Terms and Conditions of the Capital Notes are deferred, at the potential detriment on an investor.

Should the Issuer become liquidated, bankrupt, insolvent, carry out a restructuring or wound-up, an investor may forfeit interest payable on, and the principal amount of, the Capital Notes in whole or in part.

##### **Medium level risk**

##### **2. *The Group is dependent of its subsidiaries.***

A significant part of the Group's assets and revenues relate to the Issuer's subsidiaries. Accordingly, the Issuer is dependent upon receipt of sufficient income related to the operation of and the ownership in such entities to enable it to make payments under the Capital Notes. The Issuer's subsidiaries are legally separate and distinct from the Issuer and have no obligation to pay amounts due with respect to the Issuer's obligations and commitments, including the Capital Notes, or to make funds available for such payments. The ability of the Issuer's subsidiaries to make such payments to the Issuer is subject to, among other things, the availability of funds.

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

#### **Low level risk**

3. *Any portion of the Capital Notes could become subject to a write-down or otherwise converted to equity as determined by the Resolution Authority.*

The EU Bank Recovery and Resolution Directive (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 BRRD has also established a bail-in system.

The tool applies as of 1 January 2015 to all outstanding and newly issued debt. Accordingly, in the event that Ferratum Bank p.l.c. meets the trigger conditions for entry into resolution, any portion of the Capital Notes, 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 noteholders 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, noteholders 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.

#### **Medium level risk**

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

The Issuer intends to list the Capital Notes on the corporate bond list of Nasdaq Stockholm. Even if the Capital Notes are admitted to trading on the aforementioned market, active trading in the Capital Notes does not always occur and a liquid market for trading in the Capital Notes might not occur even if the Capital Notes are listed. This may result in the noteholders not being able to sell their Capital Notes 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 Capital Notes. Furthermore, the nominal value of the Capital Notes may not be indicative compared to the market price of the Capital Notes if the Capital Notes are admitted to trading. It should also be noted that during a given time period it may be difficult or impossible to sell the Capital Notes (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.

#### **Low level risk**

5. *The Capital Notes may be subject to early redemption or call option.*

Under the Terms and Conditions of the Capital Notes the Issuer reserves the possibility to redeem all outstanding Capital Notes. If the Capital Notes are redeemed, the holders of the Capital Notes have the right to receive a redemption amount which may exceed the nominal amount in accordance with the Terms and Conditions of the Capital Notes. However, there is a risk that the market value of the Capital Notes is higher than the redemption amount and that it may not be possible for noteholders to reinvest such proceeds at an effective interest rate as high as the interest rate on the Capital Notes and may only be able to do so at a significantly lower rate.

## Medium risk

- 6. Any decline in credit ratings assigned to the Issuer or the Capital Notes may affect the market value of the Capital Notes and may not reflect all the risks associated with an investment in the Capital Notes.*

The Issuer has been rated with a rating B+ and the Capital Notes have been assigned a credit rating of B-/RR6 by the international credit rating agency Fitch Ratings Inc. The ratings granted by Fitch Ratings Inc or any other rating assigned to the Issuer or the Capital Notes may not reflect the potential impact of all risks related to structure, market and other factors that may affect the value of the Capital Notes. 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 the Capital Notes 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 Capital Notes were to be subsequently lowered, this may have a negative impact on the trading price of the Capital Notes.

### F. Risks Relating to the Noteholders' Rights and Representation

#### Medium level risk

- 1. There are limited rights in relation to the enforcement of payments on the Capital Notes.*

If a default is made by the Issuer in relation to the payment of any interest, principal or premium in respect of the Capital Notes which is due and payable, the rights of the investors in respect of the Capital Notes are limited to instituting proceedings for an Issuer Winding-up, and the investors may prove and/or claim in respect of the Capital Notes in an Issuer Winding-up.

Whilst the claims of the investors in an Issuer Winding-up are for the principal amount of their Capital Notes together with any Deferred Interest and any other accrued and unpaid interest, such claims will be subordinated as stated above under “*–Most of the Issuer’s liabilities are subject to contractual and structural subordination* “, accordingly, claims in respect of the Capital Notes would rank junior to claims in respect of unsubordinated obligations of the Issuer in the event of an Issuer Winding-up. The investors shall not be entitled to accelerate payments of interest or principal under the Capital Notes in any circumstances outside an Issuer Winding-up.

Furthermore, whilst the investors may institute other proceedings against the Issuer to enforce the terms of the Capital Notes, the Issuer shall not, by virtue of such proceedings, be obliged to pay any sum or sums sooner than the same would otherwise have been payable by it. Accordingly, the investors’ rights of enforcement in respect of payments under the Capital Notes are very limited.

#### Medium level risk

- 2. The Capital Notes constitute perpetual obligations.*

The Capital Notes are perpetual meaning that the Capital Notes have no specified maturity date. The Issuer is not obliged to redeem the Capital Notes at any time and investors have no option to redeem the Capital Notes at any time. The Issuer may only redeem the Capital Notes under certain circumstances.

Any potential investor should be aware that it may be required to bear financial risks of the investment in the Capital Notes for a long period of time and may not recover their investment before a redemption of the Capital Notes (if any) at the discretion of the Issuer (in particular if there is no active trading on the secondary market). Each potential investor should therefore be aware that there is a risk that it may lose the whole, or parts of, its investment in the event the Issuer chooses to not redeem the Capital Notes.

#### Medium level risk

- 3. The Issuer has the right to defer interest payments.*

The Issuer may, at its sole discretion by giving notice to the Noteholders, the Agent and the Issuing Agent before the relevant Interest Payment Date, elect to defer any interest payment, in whole or in part, which would otherwise be due on any Interest Payment Date. If interest is deferred in accordance with the Terms and Conditions of the Capital Notes, the Issuer has no obligation to make such payment on the relevant Interest Payment Date and any

such non-payment of interest does not constitute a default or any other breach of obligations under the Capital Notes.

As the Capital Notes carry no voting rights with respect to general meetings of the Issuer, the investors cannot influence any decisions by the Issuer to defer payments or to optionally settle outstanding payments. As the Capital Notes are perpetual, the lack of availability to influence deferral of interest payments could impact investors' position and the Capital Notes during a prolonged period of time and in a manner that would be undesirable for them.

Deferral of interest payments may have an adverse effect on the market price for the Capital Notes. In addition, the availability to defer interest may result in that the market price for the Capital Notes is more volatile than otherwise would be the case for market prices of other securities in respect of which interest accrues over pre-determined interest periods. Furthermore, the possibility to defer interest payments may expose the investors to fluctuations in the Issuer's financial position and may result in that the yields from the Capital Notes are less foreseeable.

#### **Medium level risk**

##### ***4. The Capital Notes do not contain covenants governing the Issuer's operations.***

The Terms and Conditions of the Capital Notes do not contain provisions designated to protect the holders of the Capital Notes from the reduction in the creditworthiness of the Issuer. In particular, the Terms and Conditions of the Capital Notes do not restrict the Issuer's ability to enter into a merger, asset sale or other significant transaction that could materially alter its existence, jurisdiction of organisation or regulatory regime and/or its composition and business. In the event the Issuer was to enter into such a transaction, holders of the Capital Notes could be materially and adversely affected. Further, there are no events of default, including cross-default, allowing acceleration of the Capital Notes.

#### **Medium level risk**

##### ***5. The Issuer is in the process of relocating its jurisdiction of incorporation to Germany and after the relocation the Issuer will be subject to German law, including German insolvency proceedings.***

On 9 July 2021, the Issuer published its intention to relocate its jurisdiction of incorporation from Finland to Germany in accordance with the Terms and Conditions of the Capital Notes and, on 16 September 2021, the Issuer announced that the shareholders' general meeting had decided to approve the relocation. On the Terms and Conditions of the Capital Notes, the Issuer has reserved the right to carry out such relocation to Germany without the consent of the Noteholders. The Relocation will be carried out in accordance with the Finnish Act on European Company (742/2004) and the SE Regulation. The relocation is intended to take effect on or about 31 December 2021. Multitude's new registered office will be in Hamburg, Germany and after the relocation, the Issuer will be subject to German law.

After the relocation, in an insolvency over the assets of the Issuer, claims against the Issuer under the Capital Notes would be treated as deeply subordinated insolvency claims (*nachrangige Insolvenzforderungen*). According to section 174 paragraph 3 of the German Insolvency Code, deeply subordinated insolvency claims must not be registered with the insolvency court unless the insolvency court handling the case has granted special permission allowing these deeply subordinated insolvency claims to be filed which is not the rule, but the exception. The Noteholders would not participate in any creditors' committee (*Gläubigerausschuss*) pursuant to German Insolvency Code and would have very limited rights within the creditors' assembly (*Gläubigerversammlung*) pursuant to German Insolvency Code. They may be invited to participate in the creditors' assembly but would not be entitled to vote within such meetings (section 77 paragraph 1 of the German Insolvency Code).

In case of insolvency plan proceedings (*Insolvenzplanverfahren*) the Noteholders generally would have no voting right on the adoption of an insolvency plan presented by the Issuer, the relevant insolvency administrator or custodian (sections 237 and 246 of the German Insolvency Code). In addition, their claims would be waived after the adoption of the insolvency plan unless the insolvency plan makes an exception to this general rule (section 225 paragraph 1 German Insolvency Code).

## Low level risk

### *6. Early redemption of the Capital Notes may occur due to a Permitted Relocation Amendment Event.*

In connection with the relocation of the Issuer's jurisdiction of incorporation to Germany, there might be a need to amend the Terms and Conditions of the Capital Notes in order for the Capital Notes to be treated as "equity" in the Issuer's consolidated financial statements, the Issuer will need the Noteholders' consent in order to make the amendments necessary (consent of Noteholders representing at least 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure). Should the Noteholders not approve such amendments to the Terms and Conditions of the Capital Notes in such Noteholders' Meeting or Written Procedure or in the subsequent second Noteholders' Meeting or Written Procedure, the Issuer may redeem all outstanding Capital Notes at 101 per cent. of the nominal amount if such redemption is made prior to the Step-up Date and at 100 per cent. of the nominal amount if such redemption is made on or after the Step-up Date.

## Low level risk

### *7. A noteholder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions against the Issuer since the Capital Notes provide for the appointment of a noteholders' representative.*

Since the Capital Notes provide for the appointment of a noteholders' representative, it is possible that a noteholder may be deprived of its individual right to pursue and enforce its rights under the Terms and Conditions of the Capital Notes against the Issuer, such right passing to the noteholders' representative who is then exclusively responsible to claim and enforce the rights of all the noteholders. Consequently, individual noteholders 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 noteholders agree to take such action. However, there is a risk that an individual noteholder, in certain situations, could bring its own action against the Issuer (in breach of the Terms and Conditions of the Capital Notes) which could negatively impact an acceleration of the Capital Notes or other action against the Issuer. To enable the Agent to represent noteholders in court, the noteholders and/or their nominees may have to submit a written power of attorney for legal proceedings. The failure of all noteholders to submit such a power of attorney could negatively affect the legal proceedings. Under the Terms and Conditions of the Capital Notes, the Agent will in some cases have the right to make decisions and take measures that bind all noteholders. Consequently, the actions of the Agent in such matters could impact a noteholder's rights under the Terms and Conditions of the Capital Notes in a manner that would be undesirable for some of the noteholders.

## RESPONSIBILITY REGARDING THE PROSPECTUS

This Prospectus has been prepared by Multitude SE and Multitude SE accepts responsibility regarding the information contained in this Prospectus. Multitude SE 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.

## INFORMATION ABOUT THE ISSUER

The business name of the Issuer is Multitude SE. The Issuer is a Societas Europaea incorporated in Finland, established on 8 March 2005, and it is organized under the laws of Finland. The Issuer is registered in the Finnish Trade Register under the business identity code 1950969-1. In 2021, the Company has 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 Issuer intends to relocate from Finland to Germany on or about 31 December 2021. The Issuer's legal entity identifier code ("LEI") is 74370078YLPFWHE33716. The registered address of the Issuer is Ratamestarinkatu 11 A, 00520 Helsinki, Finland and its telephone number is +358 50 3539595. The Issuer is the parent company of the Group.

## 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 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 Issuer at <https://www.multitude.com/investors>.

## CREDIT RATINGS

At the date of this Prospectus, the Issuer has been rated by the international credit rating agency Fitch Ratings Inc with a Long-Term Issuer Default Rating ("**Long Term IDR**") of B+ with a negative outlook.

The Capital Notes have been assigned a credit rating of B-/RR6 by Fitch Ratings Inc.

B' ratings: 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.

The negative outlook: The negative outlook on the Issuer's Long-Term IDR reflects Fitch Ratings Inc's view that while near-term rating pressures arising from the COVID-19 pandemic in 2020 have somewhat abated, downside risk prevails over the short to medium term, particularly with respect to franchise resilience and asset quality strength.

RR6: The subordinated perpetual hybrid callable notes are notched down twice from the Issuer's Long-Term 'B+' IDR as the notes represent subordinated obligations of the company, which rank junior to any present or future claims in respect of all unsubordinated obligations and subordinated indebtedness of the company. The notching

also recognises Fitch Ratings Inc's expectation of zero recovery prospects for the subordinated notes, which corresponds to a Recovery Rating of 'RR6'.

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.

### **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 materialize, or should any underlying assumptions prove to be incorrect, the actual results of operations or financial condition of the Issuer or its ability to fulfil its obligations under the Capital Notes 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, realized 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 scrutinized 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, Jorma Jokela, the CEO, controls approximately 55.19 per cent. of the shares in the Issuer. Accordingly, Jorma Jokela has control over the Issuer as referred to in Chapter 2, Section 4 of the Finnish Securities Market Act (Fi: *arvopaperimarkkinalaki*, 746/2012).

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.

Additionally, Multitude has appropriate corporate governance policies, including committees, in place. Please see section "*Board of Directors, Management and Auditors*" 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 Capital Notes.

## OTHER INFORMATION

### General

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.

### General restrictions on distribution

Neither this Prospectus nor any copy of it or the information contained herein is being issued, nor may this Prospectus, any copy of it or the information contained herein be distributed directly or indirectly, to or into Canada, Australia, Hong Kong, Italy, New Zealand, the Republic of South Africa, Japan, the Republic of Cyprus, the United Kingdom or the United States (or to any U.S. person (as defined in Rule 902 of Regulation S under the Securities Act)), or to any other jurisdiction in which such distribution would be unlawful, except as set forth herein and pursuant to appropriate exemptions under the laws of any such jurisdiction. Neither the Group nor the Bookrunner or any of its Representatives have taken any actions to allow the distribution of this Prospectus in any jurisdiction where any action would be required for such purposes. The distribution of this Prospectus and any purchase of or application/subscription for Capital Notes or other securities of the Group may be restricted by law in certain jurisdictions, and persons into whose possession this Prospectus comes should inform themselves about, and observe, any such restriction. Any failure to comply with such restrictions may constitute a violation of the applicable securities laws of any such jurisdiction. None of the Group or the Bookrunner or any of its Representatives shall have any liability (in negligence or otherwise) for any loss howsoever arising from any use of this Prospectus or its contents or otherwise arising in connection with this Prospectus. Neither the Group nor the Bookrunner has authorised any offer to the public of securities, or has undertaken or plans to undertake any action to make an offer of securities to the public requiring the publication of an offering prospectus, in any member state of the European Economic Area.

## Restrictions in the United Kingdom

In the event that this Prospectus is distributed in the United Kingdom, it shall be directed only at persons who are either (a) “**investment professionals**” for the purposes of Article 19(5) of the UK Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, as amended (the “**Order**”), (b) high net worth companies, unincorporated associations and other persons to whom it may lawfully be communicated in accordance with Article 49(2)(a) to (d) of the Order, or (c) persons to whom an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any Capital Notes may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**Relevant Persons**”). Any investment or investment activity to which this Prospectus relates will be available only to Relevant Persons and will be engaged in only with Relevant Persons. This Prospectus is not a prospectus for the purposes of Section 85(1) of the UK Financial Services and Markets Act 2000, as amended. Accordingly, this Prospectus has not been approved as a prospectus by the Financial Conduct Authority (the “**FCA**”) under Section 87A of the Financial Services and Markets Act 2000 and has not been filed with the FCA pursuant to the UK Prospectus Rules nor has it been approved by a person authorised under the Financial Services and Markets Act 2000.

## Restrictions in the United States

This Prospectus does not constitute or form part of an offer or solicitation to purchase or subscribe for securities in the United States. In the event that this Prospectus is distributed in the United States, it shall be directed only at persons who are “**qualified institutional buyers**” as defined in Rule 144A promulgated under the Securities Act (“**Rule 144A**”) (“**QIBs**”) in reliance upon Rule 144A under the Securities Act. The Capital Notes have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”), or with any securities regulatory authority of any state or other jurisdiction in the United States. Accordingly, the Capital Notes may not be offered, sold (directly or indirectly), delivered or otherwise transferred within or into the United States or to, or for the account or benefit of, U.S. Persons, absent registration or under an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Capital Notes are being offered and sold only (i) outside the United States to persons other than U.S. persons (“**non-U.S. purchasers**”, which term shall include dealers or other professional fiduciaries in the United States acting on a discretionary basis for non-U.S. beneficial owners (other than an estate or trust)) in reliance upon Regulation S under the Securities Act (“**Regulation S**”) and (ii) in the United States to QIBs in reliance upon Rule 144A under the Securities Act. As used herein, the terms “**United States**” and “**U.S. person**” have the meanings as given to them in Rule 902 of Regulation S under the Securities Act. By accepting receipt of this Prospectus, you warrant and represent that (i) if you are located within the United States and/or a U.S. person or in the United States, you are a QIB, (ii) if you are a non-U.S. person, you are a Qualified Investor (as defined in the Prospectus Regulation (with cross-references therein)), or a Relevant Person (as defined above).

## Target market

Solely for the purposes of the manufacturer’s (as used herein, “**Manufacturer**” refers to the Bookrunner) product approval process, the target market assessment in respect of the Capital Notes has led to the conclusion that: (i) the target market for the Capital Notes 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 Capital Notes to eligible counterparties, professional clients and retail clients are appropriate.

Any person subsequently offering, selling or recommending the Capital Notes (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 Capital Notes (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 Capital Notes.

## PRIIPs regulation

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

# TERMS AND CONDITIONS OF THE CAPITAL NOTES

ISIN: NO0011037327

## 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 Noteholder has opened a Securities Account in respect of its Capital Notes.

“**Accounting Event**“ means the receipt by the Issuer of an opinion of an Authorized Public Accountant in the Relevant Jurisdiction (reputable and experienced in such matters) to the effect that, as a result of a change in the applicable accounting standards or interpretation thereof after the First Issue Date, the equity treatment of the Capital Notes as “equity“ in full in the Issuer’s consolidated financial statements has or will cease.

“**Additional Amount**“ means any additional amount payable by the Issuer after the withholding or deduction for, or on account of, any present or future taxes, duties, assessments or governmental charges of whatever nature, necessary in order that the net amounts received by the Noteholders shall equal the respective amounts which would have been receivable in respect of the Capital Notes in the absence of the withholding or deduction.

“**Adjusted Nominal Amount**“ means the Total Nominal Amount less the Nominal Amount of all Capital Notes owned by a Group Company or an affiliate, irrespective of whether such person is directly registered as owner of such Capital Notes.

“**Agency Agreement**“ means the agency agreement entered into on or before 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, regarding, *inter alia*, the remuneration payable to the Agent.

“**Agent**“ means Nordic Trustee & Agency AB (publ), Swedish Reg. No. 556882-1879, or another party replacing it as agent, in accordance with these Terms and Conditions.

“**AktG**“ means the German Stock Corporation Act (*Aktiengesetz*).

“**Authorized Public Accountant**“ means:

- (a) prior to a Permitted Relocation Event, an authorized public accountant (Fi. *KHT-tilintarkastaja*) certified by the Auditor Oversight Unit within the Finnish Patent and Registration Office being a partner or an employee of a recognized accountancy firm of international standing; and
- (b) after the occurrence of a Permitted Relocation Event, a *Wirtschaftsprüfer* within the meaning of German law.

“**Business Day**“ means a day in Sweden other than a Saturday or Sunday or other public holiday. Midsummer Eve (Sw. *midsommarafton*), Christmas Eve (Sw. *julafton*) and New Year’s Eve (Sw. *nyårsafton*) shall for the purpose of this definition be deemed to be public holidays.

“**Capital Note**“ means a debt instrument which has been issued by the Issuer subject to these Terms and Conditions.

“**Capital Notes Issue**“ means the Initial Capital Notes Issue and any Subsequent Capital Notes Issue.

“**Change of Control Event**“ means the occurrence of an event or series of events whereby one or more persons, not being the Main Shareholder, acting together, acquire control over the Issuer and where “control“ means (a) acquiring or controlling, directly or indirectly, more than fifty (50) per cent. of the voting shares or the voting

rights of the Issuer, or (b) the right to, directly or indirectly, appoint or remove the whole or a majority of the members of the board of directors of the Issuer.

“**Clean-up Call Option Event**“ has the meaning set forth in Clause (b).

“**Conversion**“ means the conversion of the Issuer into an SE Company in accordance with the procedure under article 37 of the SE Regulation.

“**Corporate Restructuring Event**“ means:

- (a) prior to a Permitted Relocation Event, a Finnish Corporate Restructuring Event; and
- (b) after the occurrence of a Permitted Relocation Event, a German Corporate Restructuring Event.

“**CSD**“ means the Issuer’s central securities depository and registrar in respect of the Capital Notes, from time to time, initially Verdipapirsentralen ASA, Norwegian reg. no. 985 140 421, Fred Olsens gate 1, NO-0152 Oslo, Norway.

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

“**CSD Regulations**“ means the CSD’s rules and regulations applicable to the Issuer, the Agent and the Capital Notes from time to time.

“**Default Event**“ means an event or circumstance specified in Clause 13 (*Enforcement*).

“**Deferred Interest**“ shall have the meaning given thereto in Clause (a).

“**Deferred Interest Payment Date**“ means the earlier of:

- (a) the Interest Payment Date on which the Issuer elects to pay interest (other than Deferred Interest), in whole or in part, in respect of the Capital Notes;
- (b) the date on which the Issuer or any other issuer of, or obligor of, the New Capital Notes or other obligations referred to below makes a payment (provided that such payment is at the sole discretion of the Issuer or such other issuer or obligor) (i) in respect of any New Capital Notes (unless such payment is a compulsory interest payment or otherwise non-discretionary under the terms of the New Capital Notes) or (ii) in respect of any other obligations ranking *pari passu* with or junior to the Capital Notes, if any, or any guarantee thereof (with same ranking);
- (c) the Business Day falling on (or, if not, immediately after) the date on which any General Meeting of the Issuer approves a proposal of the board of directors regarding a distribution of dividend in any form and amount (excluding any Minority Dividend, if applicable), or the Issuer makes payment of any nature on any share capital or securities ranking junior or *pari passu* to the Capital Notes (if such payment is made at the sole discretion of the Issuer); or
- (d) the Business Day falling on (or, if not, immediately after) the date on which any of the Issuer redeems, purchases or otherwise acquires any share capital or securities issued by it or other obligations owed by it (other than the Capital Notes), in each case ranking (in bankruptcy, liquidation and company reorganization of the Issuer or such other Group Company) junior to or *pari passu* with the Capital Notes, if any (unless such redemption, purchase or acquisition is compulsory or non-discretionary for the Issuer or such Group Company under the applicable terms or unless the shares or securities are acquired for the purpose of allocating such shares or securities in accordance with the terms and conditions of any share-based incentive scheme of the Issuer targeted to its employees, or unless the relevant securities are redeemed, purchased or acquired in an intragroup transaction (or transactions) by the Issuer from another Group Company or, if the acquirer is a Group Company, from the Issuer).

“**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 Reuters 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; or
- (b) if no screen rate 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
- (c) if no quotation is available pursuant to paragraph (b), 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.

“**Finance Documents**“ means:

these Terms and Conditions; and

the Agency Agreement.

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

“**Finnish Corporate Restructuring Event**“ means any reduction of the share capital pursuant to Chapter 14 of the Finnish Companies Act (including share premium fund and reserve fund pursuant to the Act on the Implementation of the Finnish Companies Act (625/2006, as amended, *Fi. laki osakeyhtiölain voimaannpanosta*)), amendment of the Issuer’s Articles of the Association pursuant to Chapter 14, Section 7 of the Finnish Companies Act, merger or demerger, pursuant to Chapter 16 or Chapter 17 of the Finnish Companies Act or similar creditor protection mechanisms that may become applicable on the Issuer.

“**Finnish Issuer Winding-up**“ has the meaning set forth in Clause (b).

“**Finnish Withholding Tax Event**“ has the meaning set forth in Clause (a).

“**First Issue Date**“ means 5 July 2021.

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

“**German Corporate Restructuring Event**“ means any reduction of the share capital pursuant to section 222 et seqq. AktG or a merger or demerger pursuant to the German Transformation Act (*Umwandlungsgesetz*).

“**German Issuer Winding-up**“ has the meaning set forth in Clause (d).

“**Group**“ means the Issuer and each of its Subsidiaries from time to time (each a “**Group Company**“).

“**Insolvent**“ means, in respect of a relevant Person, that it is deemed to be insolvent, within the meaning of Chapter 2, Sections 7-9 of the Swedish Bankruptcy Act (*konkurslagen (1987:672)*) (or its equivalent in any other jurisdiction), admits inability to pay its debts as they fall due, suspends making payments on any of its debts or by reason of actual financial difficulties commences negotiations with its creditors with a view to rescheduling any of its indebtedness (including company reorganisation under the Swedish Company Reorganisation Act (*lag (1996:764) om företagsrekonstruktion*) (or its equivalent in any other jurisdiction)) or is subject to involuntary winding-up, dissolution or liquidation.

“**Interest Determination Date**“ means, in relation to any period for which an interest rate is to be determined, two (2) Business Days before the first day of that period.

“**Interest Payment**“ means, in respect the payment of interest on an Interest Payment Date, the amount of interest payable for the relevant Interest Period in accordance with Clause 8 (*Interest*).

“**Interest Payment Date**“ has the meaning given in Clause (b).

“**Interest Period**“ means the period from (and including) the First Issue Date to (but excluding) the first Interest Payment Date and each successive 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 EURIBOR (3 month) plus the applicable Margin.

“**Issuer**“ means Multitude SE (formerly Ferratum Oyj), a public limited liability company incorporated under the laws of Finland with Business ID 1950969-1, including the SE Company into which the Issuer may be converted to through the Conversion or the Permitted Relocation Event.

“**Issuer Winding-up**“ means:

- (a) prior to a Permitted Relocation Event, the Finnish Issuer Winding-up; and
- (b) after the occurrence of a Permitted Relocation Event, German Issuer Winding-up.

“**Issuing Agency Agreement**“ means the issuing agency agreement entered into on or before the First Issue Date, between the Issuer and the Issuing Agent, or any replacement issuing agency agreement entered into after the First Issue Date between the Issuer and an issuing agent, regarding, inter alia, the appointment of the Issuing Agent.

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

“**Main Shareholder**“ means Jorma Jokela.

“**Margin**“ means (a) in respect of the period from (and including) the First Issue Date to (but excluding) the Step-up Date 8.90 per cent. *per annum*, and (b) in respect of the period from (and including) the Step-up Date, 13.40 per cent. *per annum*.

“**Minority Dividend**“ means a distribution of dividend pursuant to a resolution by the Issuer (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 (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, 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. 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.

“**New Capital Notes**“ means any capital notes of or, if issued by another entity within the Group, guaranteed by the Issuer which securities and/or guarantee are expressed to rank (in bankruptcy, liquidation and company reorganization of the Issuer) junior to Issuer Subordinated Indebtedness and *pari passu* with or junior to the Capital Notes.

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

“**Noteholder**“ means a Person who is registered in the CSD as directly registered owner or nominee holder of a Capital Note, subject however to Clause 6 (*Noteholders' Rights*).

“**Noteholders' Meeting**“ means a meeting among the Noteholders held in accordance with Clause 15 (*Noteholders' Meeting*).

“**Ordinary Shares**“ means ordinary shares in the capital of the Issuer.

“**Paying Agent**“ means NT Services AS, reg. no. 916 482 574, Kronprinsesse Märthas plass 1, 0160 Oslo, Norway.

“**Parity Notes**“ means any obligations of:

- (a) the Issuer, issued directly or indirectly by it, which rank, or are expressed to rank, *pari passu* with the Capital Notes; and
- (b) any Subsidiary of the Issuer having the benefit of a guarantee or support agreement from the Issuer which ranks or is expressed to rank *pari passu* with the Capital Notes.

“**Permitted Relocation Event**“ means (i) the transfer of the Issuer’s registered office from Finland to Germany in accordance with applicable law and Article 8 of the SE Regulation or (ii) a cross-border conversion of the Issuer into a limited liability company or a stock corporation or a SE Company governed by the law of a Germany in accordance with applicable law and Chapter II of the Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (as amended, among others, by Directive (EU) 2019/2121 of the European Parliament and of the Council of 27 November 2019 amending Directive (EU) 2017/1132 as regards cross-border conversions, mergers and divisions) and the implementing acts thereof, as the case may be.

“**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.

“**Record Date**“ means the date on which a Noteholder’s ownership of Capital Notes 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 14 (*Decisions by Noteholders*), the date falling on the immediate preceding CSD Business Day to the date of that Noteholders’ decision being made, or another date as accepted by the Agent.

“**Redemption Date**“ means the date on which the relevant Capital Notes are to be redeemed or repurchased in accordance with Clause 10 (*Redemption and Repurchase of the Capital Notes*).

“**Registration Authority**“ means:

- (a) prior to a Permitted Relocation Event, the Finnish Trade Register (Fi. *Kaupparekisteri*); and
- (b) after the occurrence of a Permitted Relocation Event, the commercial register (*Handelsregister*).

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

“**Permitted Relocation Amendment Event**“ has the meaning set forth in Clause (ii).

“**Relevant Jurisdiction**“ means:

- (a) prior to a Permitted Relocation Event, Finland; and
- (b) after the occurrence of a Permitted Relocation Event, Germany.

“**Replacing Capital Event**“ means one or more issuances of shares by the Issuer during the period from (and including) the First Issue Date to (but excluding) the Step-up Date the aggregate proceeds of which (net of commissions) are equal to or greater than the outstanding aggregate amount of the Capital Notes provided that such proceeds have not been used, directly or indirectly, to repurchase or redeem, or make any payments in respect

of, any shares or securities of the Issuer which rank (in bankruptcy, liquidation and company reorganization of the Issuer) *pari passu* with, or junior, to the Capital Notes.

“**SE Company**“ means *Societas Europaea*, the European legal form for public limited liability companies pursuant to the SE Regulation.

“**SE Regulation**“ means Council Regulation (EC) No 2157/2001 of 8 October 2001 on the Statute for a European company (SE).

“**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 (*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.

“**Step-up Date**“ means 5 July 2026.

“**Subordinated Indebtedness**“ means any obligation of the Issuer, whether or not having a fixed maturity, which by its terms is, or is expressed to be, subordinated in the event of an Issuer Winding-up to the claims of all unsubordinated creditors of the Issuer but senior to the Capital Notes or to the obligations of the Issuer in respect of any Parity Notes.

“**Subsequent Capital Notes**“ has the meaning set forth in Clause (e).

“**Subsequent Capital Notes Issue**“ means any Capital Notes 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.

“**Substantial Repurchase Event**“ shall be deemed to occur if the Issuer and/or any of its Subsidiaries repurchases or has at any time repurchased, a principal amount of Capital Notes equal to or greater than 80 per cent. of the aggregate principal amount of the Capital Notes issued.

“**Tax Event**“ means the receipt by the Issuer of an opinion of counsel in the Relevant Jurisdiction (reputable and experienced in such matters) to the effect that, as a result of (a) any amendment to, clarification of, or change (including any announced prospective change) in, the laws or treaties (or any regulations thereunder) of the Relevant Jurisdiction affecting taxation, (b) any governmental action or (c) any amendment to, clarification of, or change in the official position or the interpretation of such governmental action or any interpretation or pronouncement that provides for a position with respect to such governmental action that differs from the theretofore generally accepted position, in each case, by any legislative body, court, governmental authority or regulator body, irrespective of the manner in which such amendment, clarification or change is made known, which amendment, clarification or change is effective or such pronouncement or decision is announced on or after the First Issue Date, there is a sufficiently certain risk that (i) the Issuer is, or will be, subject to more than a de minimis amount of other taxes, duties or other governmental charges or civil liabilities with respect to the Capital Notes (other than, for the avoidance of doubt, a Withholding Tax Event) or (ii) the treatment of any of the Issuer’s items of income or expense with respect to the Capital Notes as reflected in the tax returns (including estimated returns) filed (or to be filed) by the Issuer will not be accepted by a taxing authority, which subjects the Issuer to

more than a de minimis amount of additional taxes, duties or other governmental charges, which in either such case cannot be avoided by the Issuer taking measures reasonably available to it.

“**Total Nominal Amount**“ means the total aggregate Nominal Amount of the Capital Notes outstanding at the relevant time.

“**Withholding Tax Event**“ means the occurrence of an event whereby:

- (a) on the occasion of the next payment due under the Capital Notes, the Issuer has or (as evidenced by an opinion of a tax counsel in the Relevant Jurisdiction (reputable and experienced in such matters) will become obliged to pay Additional Amounts as a result of any change in, or amendment to, the laws or regulations of the Relevant Jurisdiction or any political subdivision thereof or any authority thereof or therein having power to tax, or any change in the application or official interpretation of such laws or regulations, which change or amendment becomes effective on or after the First Issue Date; and
- (b) such obligation cannot be avoided by the Issuer taking reasonable measures available to it.

“**Written Procedure**“ means the written or electronic procedure for decision making among the Noteholders in accordance with Clause 16 (*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) a provision of law is a reference to that provision as amended or re-enacted; and
  - (v) a time of day is a reference to Stockholm time.
- (b) Any reference in these Terms and Conditions to bankruptcy, liquidation and company reorganization shall mean:
  - (i) prior to a Permitted Relocation Event, the Finnish law concepts *konkurssi*, *selvitystila* and *yriytyssaneeraus* as such concepts are applied from time to time pursuant to Finnish law; and
  - (ii) after the occurrence of a Permitted Relocation Event, the German law concepts *Insolvenz*, *Liquidation* and *Verfahren unter dem Unternehmensstabilisierungs- und Restrukturierungsgesetz* as such concepts are applied from time to time pursuant to German law.
- (c) 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 (ecb.europa.eu). If no such rate is available, the most recently published rate shall be used instead.
- (d) A notice shall be deemed to be sent by way of press release if it is made available to the public within Sweden promptly and in a non-discriminatory manner.
- (e) No delay or omission of the Agent or of any Noteholder to exercise any right or remedy under the Terms and Conditions shall impair or operate as a waiver of any such right or remedy.

## 2. Status of the Capital Notes

- (a) The Capital Notes are denominated in EUR and each Capital Note is constituted by these Terms and Conditions. The Issuer undertakes to make payments in relation to the Capital Notes and to comply with these Terms and Conditions.
- (b) The Capital Notes shall benefit from and be subject to the Terms and Conditions.
- (c) The nominal amount of each Capital Note is EUR 1,000 less the aggregate amount by which the Capital Notes has been redeemed in part pursuant to Clause 0 (*10.7 Redemption at the Option of the Issuer*) (the “**Nominal Amount**”). The aggregate nominal amount of the Capital Notes as at the First Issue Date is EUR 50,000,000.
- (d) The minimum permissible investment in a Capital Notes Issue is EUR 100,000.
- (e) The Issuer may, at one or several occasions, issue Subsequent Capital Notes (each such issue, a “**Subsequent Capital Notes Issue**”). Subsequent Capital Notes shall benefit from and be subject to the Finance Documents, and, for the avoidance of doubt, the ISIN, the Interest Rate and the Nominal Amount applicable to the Initial Capital Notes shall apply to Subsequent Capital Notes. The price of the Subsequent Capital Notes may be set at a discount or at a premium compared to the Nominal Amount. The maximum total nominal amount of the Capital Notes (the Initial Capital Notes and all Subsequent Capital Notes) may not exceed EUR 100,000,000 unless a consent from the Noteholders is obtained in accordance with Clause (i). Each Subsequent Capital Note shall entitle its holder to Interest in accordance with Clause (a), and otherwise have the same rights as the Initial Capital Notes.
- (f) The Capital Notes, including the obligation to pay interest thereon, constitute direct, general, unsecured and subordinated obligations of the Issuer. The rights and claims of the Noteholders in respect of the Capital Notes against the Issuer are subordinated as described in Clause 3 (*Subordination and rights on a winding-up and re-construction*).
- (g) The Capital Notes are freely transferable but the Noteholders may be subject to purchase or transfer restrictions with regard to the Capital Notes, as applicable, under local laws to which a Noteholder may be subject. Each Noteholder 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 Capital Notes or the possession, circulation or distribution of any document or other material relating to the Issuer or the Capital Notes in any jurisdiction other than Sweden, where action for that purpose is required. Each Noteholder must inform itself about, and observe, any applicable restrictions to the transfer of material relating to the Issuer or the Capital Notes.

## 3. Subordination and rights on a winding-up and re-construction

- (a) The Capital Notes, including the obligation to pay interest thereon, constitute direct, unsecured and subordinated obligations of the Issuer. The rights and claims of the Noteholders in respect of the Capital Notes against the Issuer are subordinated in accordance with:
  - (i) paragraphs (b), (c) and (f) below prior to a Permitted Relocation Event;
  - (ii) paragraphs (d), (e) and (f) below after the occurrence of a Permitted Relocation Event; and
- (b) In the event of a voluntary or involuntary liquidation (Fi. *Selvitystila*) or bankruptcy (Fi. *Konkurssi*) of the Issuer (each a “**Finnish Issuer Winding-up**”), the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon (provided that, for avoidance of doubt, no amounts will be deemed to be due and payable by reason only of the occurrence of such event other than as otherwise set out in these Terms and Conditions (including under Clause 0 or Clause (b))) and such claims will rank:

- (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes;
  - (ii) in priority to all present or future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note; and
  - (iii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness.
- (c) In the event of a company reorganization (Fi. *Yrityssaneeraus*) of the Issuer under the Finnish Business Reorganization Act (47/1993, as amended), the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon (provided that, for avoidance of doubt, no amounts will be deemed to be due and payable by reason only of the occurrence of such event other than as otherwise set out in these Terms and Conditions (including under Clause 0)), and such claims will rank:
- (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes;
  - (ii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness; and
  - (iii) in priority to all present and future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note.
- (d) In the event of a voluntary or involuntary liquidation (*Liquidation*) or bankruptcy (*Insolvenz*) of the Issuer (each a “**German Issuer Winding-up**“), the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon (provided that, for avoidance of doubt, no amounts will be deemed to be due and payable by reason only of the occurrence of such event other than as otherwise set out in these Terms and Conditions (including under Clause 0 or Clause (b))) and such claims will rank:
- (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes;
  - (ii) in priority to all present or future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note; and
  - (iii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness.
- (e) In the event of a company restructuring (Verfahren unter dem Unternehmensstabilisierungs- und Restrukturierungsgesetz) of the Issuer under the Gesetz über den Stabilisierungs und Restrukturierungsrahmen (as amended), the Noteholders (or the Agent on their behalf) shall, in respect of their Capital Notes, have a claim (in lieu of any other amount) for the principal amount of their Capital Notes and any accrued and unpaid interest (including any Deferred Interest) thereon (provided that, for avoidance of doubt, no amounts will be deemed to be due and payable by reason only of the occurrence of such event other than as otherwise set out in these Terms and Conditions (including under Clause 0)), and such claims will rank:
- (i) *pari passu* without any preference among themselves and with any present or future claims in respect of obligations of the Issuer in respect of Parity Notes;
  - (ii) junior to any present or future claims in respect of (A) all unsubordinated obligations of the Issuer and (B) all Subordinated Indebtedness; and

- (iii) in priority to all present and future claims in respect of (A) any shares issued by the Issuer and (B) any other obligation of the Issuer which, at its original issue date, ranks or is expressed by its terms to rank junior to the Capital Notes or any Parity Note.
- (f) Subject to mandatory applicable law, no Noteholder may exercise, claim or plead any right of set-off, compensation or retention in respect of any amount owed to it by the Issuer in respect of, or arising under or in connection with the Capital Notes and each Noteholder shall, by virtue of its holding of any Capital Note, be deemed to have waived all such rights of set-off, compensation or retention.

#### **4. Conditions Precedent and Settlement of the Capital Notes**

- (a) The Issuer shall provide the following to the Agent, no later than three Business Days prior to the First Issue Date:
  - (i) a copy of the constitutional documents of Issuer;
  - (ii) a copy of a resolution of the board of directors of the Issuer approving the issue of the Capital Notes and the Terms and Conditions and resolving that it execute, deliver and perform its obligations under the Terms and Conditions and all related documents to which it is or will become a party;
  - (iii) a copy of the executed Agency Agreement; and
  - (iv) a copy of the executed Terms and Conditions.
- (b) The Agent may assume that the documentation delivered to it pursuant to Clause (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 (a) are not reviewed by the Agent from a legal or commercial perspective of the Noteholders.
- (c) When the conditions in Clause (a) have been fulfilled to the satisfaction of the Agent (acting reasonably), the Agent shall without undue delay confirm in writing to the Issuing Agent, that the Issuing Agent shall procure the settlement of the Capital Notes.
- (d) The First Issue Date shall not occur (i) unless the Agent makes the confirmation referred to in Clause (c) to the Issuing Agent no later than 9.00 a.m. three Business Days prior to the First Issue Date (or later, if the Issuing Agent so agrees), or (ii) if the Issuing Agent and the Issuer agree to postpone the relevant Issue Date.

#### **5. Capital Notes in Book-Entry Form**

- (a) The Capital Notes will be registered for the Noteholders on their respective Securities Accounts and no physical notes will be issued. Accordingly, the Capital Notes will be registered in dematerialized form in the CSD according to the Securities Depository Act and the requirements of the CSD. Registration requests relating to the Capital Notes shall be directed to the Paying Agent or 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 Capital Notes, as recorded and regulated with the CSD (subject to applicable law).
- (d) Each Noteholder consents to the Issuer having a right to obtain information on the Noteholders, their contact details and their holdings of the Capital Notes registered in the Book-Entry Securities System, such as information recorded in the lists referred to in Clauses 2 and 3 of Section 3 of Chapter 4 of the Book-Entry System Act kept by the CSD in respect of the Capital Notes and the CSD shall be entitled to

provide such information upon request. At the request of the Agent, the Issuing Agent or the Paying Agent, the Issuer shall (and shall be entitled to do so) promptly obtain such information and provide it to the Agent, the Issuing Agent or the Paying Agent, as applicable.

- (e) The Agent, the Issuing Agent and the Paying Agent shall have the right to obtain information referred to in Clause (d) from the CSD in respect of the Capital Notes if so permitted under the regulation of the CSD. The Issuer agrees that each of the Agent, the Issuing Agent and the Paying Agent is at any time on its behalf entitled to obtain information referred to in Clause (d) from the CSD in respect of the Capital Notes.
- (f) The Issuer shall issue any necessary power of attorney to such Persons employed by the Agent or the Paying Agent, as notified by the Agent or the Paying Agent, in order for such individuals to independently obtain information directly from the debt register kept by the CSD in respect of the Capital Notes. The Issuer may not revoke any such power of attorney given to the Agent or the Paying Agent unless directed by the Agent or the Paying Agent or unless consent thereto is given by the Noteholders.
- (g) The Issuer, the Agent, the Issuing Agent and the Paying Agent may use the information referred to in Clause (d) only for the purposes of carrying out their duties and exercising their rights in accordance with these Terms and Conditions and the Agency Agreement with respect to the Capital Notes and shall not disclose such information to any Noteholder or third party unless necessary for such purposes.

## **6. Noteholders' Rights**

- (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 Noteholder (whether registered as such or proven to the Agent's satisfaction to be the beneficial owner of the Capital Note as set out in paragraph (a) above) may issue one or more powers of attorney to third parties to represent it in relation to some or all of the Capital Notes held or beneficially owned by such Noteholder. 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 (*Noteholders' Rights*) 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 Capital Notes**

- (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 Noteholders in relation to the Capital Notes shall be made to each Noteholder 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 Noteholder in connection with its securities account in the CSD.
- (c) If a payment date to the Noteholders 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 Capital Notes 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.
- (d) 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.
- (e) 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.

- (f) The Issuer is not liable to gross-up any payments under the Finance Documents by virtue of any withholding tax, public levy or the similar.

## 8. Interest

- (a) Each Initial Capital Note carries interest at the Interest Rate from (and including) the First Issue Date up to (but excluding) the relevant Redemption Date. Any Subsequent Capital Note 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) Subject to Clause 9 (*Interest Deferral*), interest shall be payable on the Capital Notes quarterly in arrears on 1 March, 1 June, 1 September, and 1 December each calendar year (each an “**Interest Payment Date**”), with the first Interest Payment Date being 1 September 2021. If such day falls on a day which either of the relevant CSD settlement system or the relevant currency settlement system are not open, the payment shall be made on the first following possible day on which both of the said systems are open.
- (c) The Capital Notes (and any unpaid amounts thereon) will cease to bear interest from (but including) the date of redemption thereof pursuant to the relevant paragraph of Clause 10 (*Redemption and Repurchase of the Capital Notes*).
- (d) Interest shall be calculated based upon actual/360-days basis.
- (e) The Interest Rate in respect of each Interest Period commencing prior to the Step-up Date shall be the aggregate of the relevant Margin and the relevant EURIBOR (3 months) for such Interest Period, all as determined by the Issuing Agent.
- (f) The Interest Payment in respect of each Interest Period may be deferred in accordance with Clause 9 (*Interest Deferral*).

## 9. Interest Deferral

### 9.1 *Cumulative Optional Interest Deferral and Optional Payment*

- (a) The Issuer may, in its sole discretion but subject to paragraphs (c), (d) and (e) below, elect to defer any interest payment which would otherwise be due on any Interest Payment Date (in whole or in part). Any interest in respect of any Capital Note due but not paid on an Interest Payment Date shall constitute “Deferred Interest”. If there are several amounts of Deferred Interest they shall accumulate until paid in full on the first Deferred Interest Payment Date following such Interest Payment Date.
- (b) If the Issuer makes only a partial payment of interest on any Interest Payment Date, such amount shall be applied equally to each Capital Note.
- (c) If any of the events referred to in sub-clauses (b), (c) or (d) of the definition of Deferred Interest Payment Date has occurred during the twelve months immediately preceding an Interest Payment Date, the Issuer may not defer an interest payment due on such Interest Payment Date in accordance with paragraph (a) above.
- (d) Each amount of Deferred Interest shall bear interest (as if it constitutes a principal amount) at an Interest Rate which equals the then current Interest Rate on the Capital Notes. Deferred Interest shall not be capitalized to the principal amount of the Capital Notes.
- (e) The Issuer shall:
  - (i) if it wishes to elect to defer any interest payment, as soon as practicable and in any event not less than twenty (20) Business Days prior to the relevant Interest Payment Date; or

- (ii) in respect of any payment of Deferred Interest on a Deferred Interest Payment Date, as soon as practicable,

in the case of (i), give notice of such election (which shall be irrevocable) or, in the case of (ii), give notice of such Deferred Interest Payment Date (which, save as provided above, shall be irrevocable) to the Agent and the Noteholders.

- (f) Deferred Interest may be paid, in whole or in part, at any time at the option of the Issuer following delivery of a notice given by the Issuer to the Agent and the Noteholders not less than seven Business Days prior to the date (to be specified in such notice) on which the Issuer will pay such Deferred Interest.

## **9.2 Compulsory Interest Payment**

The Issuer shall pay the Deferred Interest (including interest accrued thereon) in whole on the next following Deferred Interest Payment Date. If a Deferred Interest Payment Date is a result of an event referred to in sub clauses (c) or (d) of the definition of Deferred Interest Payment Date, Deferred Interest shall be deemed to have become due on the Business Day immediately preceding the date of such event.

## **9.3 Minority Dividend**

If there is any unpaid Deferred Interest at the time when the Issuer declares a dividend which constitutes a Minority Dividend, the Interest Rate applicable to the Capital Notes shall be increased by an additional margin of five (5.00) per cent. *per annum* applicable as from the date on which such dividend is declared. The increased Interest Rate shall apply also to the current amount of Deferred Interest and any further Deferred Interest to the extent that the Issuer defers any interest payment after the declaration of a dividend which constitutes a Minority Dividend. The increased Interest Rate shall apply until the next following Deferred Interest Payment Date provided the payment of any and all unpaid Deferred Interest is made on such date.

## **9.4 Step-up after Change of Control Event**

- (a) Upon the occurrence of a Change of Control Event, the Issuer may, if it gives not less than 30 nor more than 60 calendar days' notice as from the date of such Change of Control Event to the Agent and the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption which shall be no later than the date which is six months after the date of the Change of Control Event), redeem the Capital Notes in whole, but not in part, at (i) where such redemption occurs before the Step-up Date, an amount equal to 101 per cent. of their Nominal Amount and (ii) where such redemption occurs on or after the Step-up Date, an amount equal to 100 per cent. of their Nominal Amount, in each case, together with any accrued but unpaid interest to but excluding the date of redemption. Such notice shall also specify the nature of the Change of Control Event, the circumstances giving rise to it and the date on which it became effective.
- (b) If a notice pursuant to paragraph (a) above is not published within sixty (60) calendar days of the Change of Control Event occurring, the Issuer will notify the Agent and the Noteholders, no later than 60 calendar days following the effective Change of Control Event specifying the nature of the Change of Control Event, the circumstances giving rise to it and the date on which it became effective.
- (c) If, after the occurrence of a Change of Control Event, the Issuer has not redeemed the Capital Notes within six months after the date of the Change of Control Event, the Interest Rate applicable to the Capital Notes (including any amount of current or future Deferred Interest) shall, subject to the following paragraph, be increased by an additional margin of 5.00 per cent. *per annum*. This increase shall become effective on the date which is six months after the date of the Change of Control Event.

## **10. Redemption and Repurchase of the Capital Notes**

### **10.1 No maturity**

The Capital Notes are perpetual and have no specified maturity date. The Issuer may only redeem the Capital Notes pursuant to this Clause 10.

### **10.2 Issuer's purchase of Notes**

The Issuer or any Group Company may, subject to applicable law, at any time and at any price purchase Capital Notes on the market or in any other way at prices aligned with current market prices of the Capital Notes (traded or quoted). The Capital Notes held by the Issuer or any Group Company may at such Group Company's discretion be retained or sold, but not cancelled.

### **10.3 Redemption due to a Tax Event, an Accounting Event, a Permitted Relocation Amendment Event or a Substantial Repurchase Event**

Upon the occurrence of a Tax Event, an Accounting Event, a Permitted Relocation Amendment Event or a Substantial Repurchase Event, the Issuer may, if it gives not less than 30 nor more than 60 calendar days' notice to the Agent and the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Capital Notes in whole, but not in part, at any time after the occurrence of the relevant event, at (i) where such redemption occurs before the Step-up Date, an amount equal to 101 per cent. of their Nominal Amount and (ii) where such redemption occurs on or after the Step-up Date, an amount equal to 100 per cent. of their Nominal Amount, in each case, together with any accrued but unpaid interest to but excluding the date of redemption. Upon receipt by the Agent of such notice, the Agent shall inform the Paying Agent.

### **10.4 Redemption due to a Replacing Capital Event or a Corporate Restructuring Event**

Upon the occurrence of a Replacing Capital Event or a Corporate Restructuring Event, the Issuer may, if it gives not less than 30 nor more than 60 calendar days' notice to the Agent and the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Capital Notes in whole, but not in part, at any time after the occurrence of such event, at an amount equal to 103 per cent. of their Nominal Amount and (ii) where such redemption occurs on or after the Step-up Date, an amount equal to 100 per cent. of their Nominal Amount, in each case, together with any accrued but unpaid interest to but excluding the date of redemption. Upon receipt by the Agent of such notice, the Agent shall inform the Paying Agent.

### **10.5 Redemption due to a Withholding Tax Event or a Clean-up Call Option Event**

- (a) Unless notice of redemption has been given pursuant to Clause 0 (10.3 *Redemption due to a Tax Event, an Accounting Event*) above, the Issuer may, if it gives not less than 30 nor more than 60 days' notice to the Agent and the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Capital Notes in whole, but not in part, at any time, upon the occurrence of a Withholding Tax Event, provided that no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer would be obliged to pay such Additional Amounts in relation to a payment in respect of the Capital Notes then due. Upon receipt by the Agent of such notice, the Agent shall inform the Paying Agent.
- (b) Unless notice of redemption has been given pursuant to Clause 0 (10.3 *Redemption due to a Tax Event, an Accounting Event*) above, the Issuer may, if it gives not less than 30 nor more than 60 days' notice to the Agent and the Noteholders (which notice shall be irrevocable and shall specify the date fixed for redemption), redeem the Capital Notes in whole, but not in part, if, at any time, the outstanding aggregate principal amount of the Capital Notes is equal to or less than 25 per cent. of the aggregate principal amount of the Capital Notes initially issued (a "**Clean-up Call Option Event**"). Upon receipt by the Agent of such notice, the Agent shall inform the Paying Agent.
- (c) Capital Notes redeemed pursuant to this Clause 0 will be redeemed at their Nominal Amount, together with any accrued but unpaid interest to, but excluding the date of redemption.

### **10.6 Redemption at the Option of the Issuer due to a Noteholder's Opposition of a Corporate Restructuring Event**

In the event that any Noteholder exercises its statutory or contractual right to oppose a Corporate Restructuring Event, the Issuer may, by giving not less than seven calendar days nor more than 21 calendar days prior to the date which is one month from the due date for the exercise of such statutory right to oppose or the intended date of the consummation of the Corporate Restructuring Event (whichever is earlier), a written notice (which notice shall be

irrevocable, to the extent permitted by applicable law, and specify the intended date of the consummation of the Corporate Restructuring Event) to the Agent and the Noteholder who has opposed the relevant Corporate Restructuring Event (the “**Redeemed Noteholder**”), redeem the Capital Notes held by the Redeemed Noteholder. Upon receipt by the Agent of such notice, the Agent shall inform the Paying Agent. In such case, the redemption shall take place at the Nominal Amount of the redeemed Capital Notes, together with any accrued but unpaid interest. The Redeemed Noteholder is obliged to withdraw its notice of opposing the relevant Corporate Restructuring Event no later than seven calendar days prior to the date which is one month from the due date for the exercise of such statutory right to oppose or the intended date of the consummation of the Corporate Restructuring Event (whichever is earlier), as specified in the Issuer’s notice at the latest and the Issuer shall pay the Redeemed Noteholder the relevant redemption amount in accordance with Clause 7 (*Payments in Respect of the Capital Notes*) below no later than on the date that the Corporate Restructuring Event is consummated. Further, provided that a Permitted Relocation Event has not occurred and without prejudice to the Redeemed Noteholder’s primary obligation to withdraw its notices opposing the relevant Corporate Restructuring Event, the Redeemed Noteholder has by these Terms and Conditions irrevocably authorized the Issuer to represent it with respect to the Trade Register maintained by the Finnish Patent and Registration Office at any time after the relevant Redemption Date in order to withdraw such notices opposing the relevant Corporate Restructuring Event following the payment of the relevant redemption amount.

#### **10.7 Redemption at the Option of the Issuer**

The Issuer may, by giving not less than 30 nor more than 60 calendar days’ notice to the Agent and the Noteholders (which notice shall be irrevocable and specify the date fixed for redemption), elect to redeem all but not some only, of the Capital Notes on the Step-up Date or on any Interest Payment Date thereafter at their Nominal Amount, together with any accrued but unpaid interest to, but excluding the date of redemption. Upon receipt by the Agent of such notice, the Agent shall inform the Paying Agent.

#### **10.8 Additional Conditions to Redemption**

The Capital Notes may only be redeemed pursuant to Clauses 0 (*10.3 Redemption due to a Tax Event, an Accounting Event*), 0 (*10.4 Redemption due to a Replacing Capital Event or a Corporate Restructuring Event*), and 0 (*10.5 Redemption due to a Withholding Tax Event or a Clean-up Call Option Event*) above, as the case may be, if the Issuer has delivered a certificate signed by two of its authorized signatories to the Agent (and copies thereof will be available at the Agent’s specified office during its normal business hours) not less than five Business Days prior to the date set for redemption that the Tax Event, Accounting Event, Corporate Restructuring Event, Withholding Tax Event, Replacing Capital Event or a Clean-up Call Option Event, as the case may be, has occurred or (other than in the case of the Replacing Capital Event) will occur no more than ninety (90) days following the date fixed for redemption, as the case may be.

### **11. Notices**

- (a) Any notice or other communication to be made under or in connection with the Terms and Conditions:
  - (i) if to the Agent, shall be given at the address registered with the Swedish Companies Registration Office (*Sw. Bolagsverket*) on the Business Day prior to dispatch or, if sent by email by the Issuer, to such email address notified by the Agent to the Issuer from time to time;
  - (ii) if to the Issuer, shall be given at the address notified by the Issuer to the Agent no later than on the Business Day prior to dispatch or, if sent by email by the Agent, to such email address notified by the Issuer to the Agent from time to time; and
  - (iii) if to the Noteholders, shall:
    - A. if made by the Agent, be sent to the Noteholders 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; or
    - B. if made by the Issuer, be sent to the Noteholders via the Agent or through the CSD with a copy to the Agent.

- (b) Any notice or other communication made by one person to another under or in connection with the Terms and Conditions shall be sent by way of courier, personal delivery or letter (and, if between the Agent and the Issuer, by email) and will only be effective, in case of courier or personal delivery, when it has been left at the address specified in paragraph (a) above or, in case of letter, three Business Days after being deposited postage prepaid in an envelope addressed to the address specified in paragraph (a) above or, in case of email to the Agent or the Issuer, when received in legible form by the email address specified in paragraph (a) above.
- (c) Failure to send a notice or other communication to a Noteholder or any defect in it shall not affect its sufficiency with respect to other Noteholders.

## **12. Admission to Trading**

The Issuer has the intention and shall use its best efforts (without assuming any legal or contractual obligation) to ensure that:

- (a) the Initial Capital Notes are listed on (i) the Open Market of Frankfurt Stock Exchange or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another MTF within 60 calendar days (but with an intention of 30 calendar days) after the First Issue Date, and (ii) the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within four months after the First Issue Date;
- (b) any Subsequent Capital Notes are listed on (i) the Open Market of Frankfurt Stock Exchange or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another MTF within 60 calendar days (but with an intention of 30 calendar days) after the issuance of such Subsequent Capital Notes, and (ii) the corporate bond list of Nasdaq Stockholm or, if such admission to trading is not possible to obtain or maintain, admitted to trading on another Regulated Market within 60 calendar days (but with an intention of 30 calendar days) after the issuance of such Subsequent Capital Notes, unless the Subsequent Capital Notes are issued before the date falling four months after the First Issue Date in which case such Subsequent Capital Notes shall be listed within four months after the First Issue Date; and
- (c) the Capital Notes, once admitted to trading on the relevant Regulated Market, continue being listed thereon (however, taking into account the rules and regulations of the relevant Regulated Market and the CSD, as amended from time to time) preventing trading in the Capital Notes in close connection to the redemption of the Capital Notes.

## **13. Enforcement Events**

- (a) There are no events of default in respect of the Capital Notes.
- (b) However, subject to paragraph (c) below, if proceedings are commenced for the dissolution, bankruptcy or liquidation of the Issuer, or a court or agency or supervisory authority in Finland (having jurisdiction in respect of the same) shall have instituted a proceeding or entered a decree of order for the appointment of a bankruptcy administrator or liquidator in any bankruptcy or liquidation of the Issuer, each Noteholder may (i) give notice to the Issuer that the Capital Notes of such Noteholder are, and they shall accordingly forthwith become, immediately due and repayable at their principal amount, together with accrued but unpaid interest and (ii) institute steps in order to obtain a judgement against the Issuer for any amounts due in respect of the Capital Notes of such Noteholder if the Issuer is declared bankrupt or put into liquidation by a competent court.
- (c) If such proceedings described in paragraph (b) above are vacated, discharged, terminated or otherwise cancelled and the Issuer remains in existence, the principal amount of the Capital Notes, together with accrued but unpaid interest shall no longer be due and repayable and these Terms and Conditions shall continue to remain in full force and effect and the Noteholders may only declare the Capital Notes together with accrued but unpaid interest due and payable in accordance with paragraph (b) above and demand payments in accordance with Clause 0 (9.2 *Compulsory Interest Payment*).

- (d) For the avoidance of doubt, paragraphs (b) and (c) above shall not apply to a dissolution resulting from a Corporate Restructuring Event and shall not:
  - (i) prior to a Permitted Relocation Event, apply to the institution of, or petition for, a company reorganization (Fin: *yrittysneeraus*); and
  - (ii) after the occurrence of a Permitted Relocation Event, apply to the institution of, or petition for, a company restructuring under the German Company Restructuring Act (*Verfahren unter dem Unternehmensstabilisierungs- und Restrukturierungsgesetz*).
- (e) If the Issuer fails to pay any principal or interest (as referred to in Clause 0 (9.2 *Compulsory Interest Payment*)) which has become due and payable in respect of the Capital Notes, each Noteholder may institute such steps as it considers desirable with a view to obtaining a judgement against the Issuer for any amounts due to such Noteholder or having the Issuer declared bankrupt, put into liquidation or subjected to a company reorganization (Fin: *yrittysneeraus*) or restructuring under the German Company Restructuring Act (*Verfahren unter dem Unternehmensstabilisierungs- und Restrukturierungsgesetz*), as applicable, if such steps are available under applicable law.
- (f) No remedy against the Issuer, other than as provided above or proving or claiming in the bankruptcy, liquidation or company reorganization (Fin: *yrittysneeraus*) or restructuring under the German Company Restructuring Act (*Verfahren unter dem Unternehmensstabilisierungs- und Restrukturierungsgesetz*), as applicable, of the Issuer in the Relevant Jurisdiction or elsewhere, shall be available to the Noteholders, whether for the recovery of amounts owing in respect of the Capital Notes or in respect of any breach by the Issuer of any of its obligations or undertakings with respect to the Capital Notes.

#### 14. Decisions by Noteholders

- (a) A request by the Agent for a decision by the Noteholders on a matter relating to the Terms and Conditions shall (at the option of the Agent) be dealt with at a Noteholders' Meeting or by way of a Written Procedure. For the avoidance of doubt, neither the Conversion nor the Permitted Relocation Event shall require a decision of the Noteholders' Meeting or Written Procedure, and each of the Noteholders shall be deemed to have waived its statutory or contractual right to oppose the Permitted Relocation Event and each of the Noteholders has by these Terms and Conditions irrevocably authorized the Issuer to represent it with respect to the Trade Register maintained by the Finnish Patent and Registration Office to confirm existence of such waiver.
- (b) Any request from the Issuer or a Noteholder (or Noteholders) representing at least ten per cent. of the Adjusted Nominal Amount (such request may only be validly made by a person who is a Noteholder on the Business Day immediately following the day on which the request is received by the Agent and shall, if made by several Noteholders, be made by them jointly) for a decision by the Noteholders on a matter relating to the Terms and Conditions shall be directed to the Agent and dealt with at a Noteholders' 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 Noteholders' Meeting than by way of a Written Procedure, it shall be dealt with at a Noteholders' Meeting.
- (c) The Agent may refrain from convening a Noteholders' Meeting or instigating a Written Procedure if (i) the suggested decision must be approved by any person in addition to the Noteholders 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 laws.
- (d) Should the Agent not convene a Noteholders' Meeting or instigate a Written Procedure in accordance with these Terms and Conditions, without Clause (c) being applicable, the Issuer or the Noteholder(s) requesting a decision by the Noteholders may convene such Noteholders' Meeting or instigate such Written Procedure, as the case may be, instead.
- (e) Should the Issuer want to replace the Agent, it may (i) convene a Noteholders' Meeting in accordance with Clause (a) or (ii) instigate a Written Procedure by sending communication in accordance with Clause

- (a), in both cases with a copy to the Agent. After a request from the Noteholders pursuant to Clause (c), the Issuer shall no later than ten Business Days after receipt of such request (or such later date as may be necessary for technical or administrative reasons) convene a Noteholders' Meeting in accordance with Clause (a). The Issuer shall inform the Agent before a notice for a Noteholders' Meeting or communication relating to a Written Procedure where the Agent is proposed to be replaced is sent and shall, on the request of the Agent, append information from the Agent together with the notice or the communication.
- (f) Only a Noteholder, or the beneficial owner thereof having presented relevant evidence to the Agent pursuant to Clause 6 (*Noteholders' Rights*):
- (i) on the CSD Business Day specified in the notice pursuant to Clause (b), in respect of a Noteholders' Meeting, or
  - (ii) on the CSD Business Day specified in the communication pursuant to Clause (b), in respect of a Written Procedure,
  - (iii) may exercise voting rights as a Noteholder at such Noteholders' Meeting or in such Written Procedure, provided that the relevant Capital Notes are included in the definition of Adjusted Nominal Amount.
- (g) The following matters shall require the consent of Noteholders representing at least two thirds (2/3) of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause (b):
- (i) the issue of any Subsequent Capital Notes, if the total nominal amount of the Capital notes exceeds, or if such issue would cause the total nominal amount of the Capital Notes to at any time exceed, EUR 100,000,000 (for the avoidance of doubt, for which consent shall be required at each occasion such Subsequent Capital Notes are issued;
  - (ii) a change to the terms of any of paragraphs (a), (f), (g) and (h) of Clause 2 (*Status of the Capital Notes*);
  - (iii) a change to the Interest Rate or the Nominal Amount;
  - (iv) a change to the terms dealing with the requirements for Noteholders' consent set out in this Clause 14;
  - (v) a change of Issuer or any delay of the due date for payment of any interest on the Capital Notes other than as permitted pursuant to Clause 9 (*Interest Deferral*) and whereby, for the avoidance of doubt, the Conversion and a Permitted Relocation Event shall not be considered a change of Issuer;
  - (vi) a mandatory exchange of the Capital Notes for other securities (other than as expressly permitted under these Terms and Conditions); and
  - (vii) early redemption of the Capital Notes, other than as otherwise permitted or required by these Terms and Conditions.
- (h) If any amendments to these Terms and Conditions are necessary in order for the Capital Notes to be treated as "equity" in the Issuer's consolidated financial statements in connection with a Permitted Relocation Event, the amendments necessary shall require the consent of Noteholders representing at least 50 per cent. of the Adjusted Nominal Amount for which Noteholders are voting at a Noteholders' Meeting or for which Noteholders reply in a Written Procedure in accordance with the instructions given pursuant to Clause (b), and:
- (i) if quorum in accordance with paragraph (i) below is not met at the first Noteholders' Meeting or Written Procedure, the Issuer shall convene a second Noteholders' Meeting or initiate a second Written Procedure in accordance with paragraph (k) below; and

- (ii) if consent is not granted by the Noteholders for the proposed amendments, such event shall constitute a **“Permitted Relocation Amendment Event”**.
- (i) Quorum at a Noteholders’ Meeting or in respect of a Written Procedure only exists if a Noteholder (or Noteholders) representing at least 50 per cent. of the Adjusted Nominal Amount in case of a matter pursuant to Clause (g), and otherwise 20 per cent. of the Adjusted Nominal Amount:
  - (i) if at a Noteholders’ 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,
- (j) and, if a quorum exists for some but not all of the matters to be dealt with at a Noteholders’ Meeting or by a Written Procedure, decisions may be taken in the matters for which quorum exists.
- (k) If a quorum does not exist at a Noteholders’ Meeting or in respect of a Written Procedure, the Agent or the Issuer shall convene a second Noteholders’ Meeting (in accordance with Clause (a)) or initiate a second Written Procedure (in accordance with Clause (a)), as the case may be, provided that the person(s) who initiated the procedure for Noteholders’ consent has confirmed that the relevant proposal has not been withdrawn. For the purposes of a second Noteholders’ Meeting or second Written Procedure pursuant to this Clause (k), the date of request of the second Noteholders’ Meeting pursuant to Clause (a) or second Written Procedure pursuant to Clause (a), as the case may be, shall be deemed to be the relevant date when the quorum did not exist. The quorum requirement in Clause (i) shall not apply to such second Noteholders’ Meeting or Written Procedure.
- (l) 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 Terms and Conditions shall be subject to the Issuer’s or the Agent’s consent, as appropriate.
- (m) A Noteholder holding more than one Capital Note 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.
- (n) The Issuer may not, directly or indirectly, pay or cause to be paid any consideration to or for the benefit of any Noteholder for or as inducement to any consent under these Terms and Conditions, unless such consideration is offered to all Noteholders that consent at the relevant Noteholders’ 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.
- (o) A matter decided at a duly convened and held Noteholders’ Meeting or by way of Written Procedure is binding on all Noteholders, irrespective of them being present or represented at the Noteholders’ Meeting or responding in the Written Procedure. The Noteholders that have not adopted or voted for a decision shall not be liable for any damages that this may cause other Noteholders.
- (p) All costs and expenses incurred by the Issuer or the Agent for the purpose of convening a Noteholders’ Meeting or for the purpose of carrying out a Written Procedure, including reasonable fees to the Agent, shall be paid by the Issuer.
- (q) If a decision shall be taken by the Noteholders on a matter relating to the Terms and Conditions, the Issuer shall promptly at the request of the Agent provide the Agent with a certificate specifying the number of Capital Notes owned by Group Companies or (to the knowledge of the Issuer) affiliates, irrespective of whether such person is directly registered as owner of such Capital Notes. The Agent shall not be responsible for the accuracy of such certificate or otherwise be responsible to determine whether a Capital Note is owned by a Group Company or an affiliate.
- (r) Information about decisions taken at a Noteholders’ Meeting or by way of a Written Procedure shall promptly be sent by notice to the Noteholders 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 Noteholders’ Meeting or Written Procedure shall at the request of a Noteholder be sent to it by the Issuer or the Agent, as applicable.

## **15. Noteholders' Meeting**

- (a) The Agent shall convene a Noteholders' Meeting as soon as practicable and in any event no later than ten CSD Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a notice thereof to each Noteholder through the CSD.
- (b) The notice pursuant to paragraph (a) above shall include the (i) time for the meeting, (ii) place for the meeting, (iii) agenda for the meeting (including each request for a decision by the Noteholders), (iv) CSD Business Day on which a person must be a Noteholder in order to exercise Noteholders' rights at the Noteholders' Meeting and (v) a form of power of attorney. Only matters that have been included in the notice may be resolved upon at the Noteholders' Meeting. Should prior notification by the Noteholders be required in order to attend the Noteholders' Meeting, such requirement shall be included in the notice.
- (c) The Noteholders' Meeting shall be held no earlier than ten Business Days and no later than 20 Business Days from the notice.
- (d) Without amending or varying these Terms and Conditions, the Agent may prescribe such further regulations regarding the convening and holding of a Noteholders' Meeting as the Agent may deem appropriate. Such regulations may include a possibility for Noteholders to vote without attending the meeting in person.

## **16. Written Procedure**

- (a) The Agent shall instigate a Written Procedure as soon as practicable and in any event no later than ten CSD Business Days after receipt of a valid request from the Issuer or the Noteholder(s) (or such later date as may be necessary for technical or administrative reasons) by sending a communication to each Noteholder through the CSD.
- (b) A communication pursuant to paragraph (a) above shall include (i) each request for a decision by the Noteholders, (ii) a description of the reasons for each request, (iii) a specification of the CSD Business Day on which a person must be registered as a Noteholder 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, and (v) the stipulated time period within which the Noteholder must reply to the request (such time period to last at least ten (10) Business Days from the communication pursuant to paragraph (a) above). If the voting shall be made electronically, instructions for such voting shall be included in the communication.
- (c) When the requisite majority consents of the total Adjusted Nominal Amount pursuant to Clause (g) have been received in a Written Procedure, the relevant decision shall be deemed to be adopted pursuant to Clause (g) even if the time period for replies in the Written Procedure has not yet expired.

## **17. Amendments and Waivers**

- (a) The Issuer and the Agent (acting on behalf of the Noteholders) may agree to amend the Terms and Conditions or waive any provision in the Terms and Conditions, provided that:
  - (i) such amendment or waiver is not detrimental to the interest of the Noteholders, 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 Noteholders in accordance with Clause 14 (Decisions by Noteholders).
- (b) The consent of the Noteholders is not necessary to approve the particular form of any amendment to the Terms and Conditions. It is sufficient if such consent approves the substance of the amendment.

- (c) The Agent shall promptly notify the Noteholders of any amendments or waivers made in accordance with paragraph (a) above, setting out the date from which the amendment or waiver will be effective. Any amendments to the Terms and Conditions shall be published on the websites of the Issuer and the Agent. The Issuer shall ensure that any amendments to the Terms and Conditions are duly registered with the CSD and each other relevant organisation or authority.
- (d) An amendment to the Terms and Conditions shall take effect on the date determined by the Noteholders Meeting, in the Written Procedure or by the Agent, as the case may be.

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

### **18.1 *Appointment of Agent***

- (a) By subscribing for Capital Notes, each initial Noteholder appoints the Agent to act as its agent and representative pursuant to the Act on Noteholders' Agent in all matters relating to the Capital Notes and the Terms and Conditions, and authorises 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 all matters set out in the Act on Noteholders' Agent and particularly in any legal or arbitration proceedings relating to the Capital Notes held by such Noteholder. By acquiring Capital Notes, each subsequent Noteholder confirms such appointment and authorisation for the Agent to act on its behalf.
- (b) Each Noteholder 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 Terms and Conditions. The Agent is under no obligation to represent a Noteholder which does not comply with such request.
- (c) 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 Terms and Conditions.
- (d) 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 Terms and Conditions and the Agency Agreement and the Agent's obligations as Agent under the Terms and Conditions are conditioned upon the due payment of such fees and indemnifications.
- (e) The Agent may act as agent or trustee for several issues of securities issued by or relating to the Issuer and other Group Companies notwithstanding potential conflicts of interest.

### **18.2 *Duties of the Agent***

- (a) The Agent shall represent the Noteholders in accordance with the Terms and Conditions. The Agent is not responsible for the content, due execution, legal validity, perfection or enforceability of the Terms and Conditions.
- (b) When acting in accordance with the Terms and Conditions, the Agent is always acting with binding effect on behalf of the Noteholders. The Agent shall carry out its duties under the Terms and Conditions 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 Terms and Conditions.
- (d) The Agent shall treat all Noteholders equally and, when acting pursuant to the Terms and Conditions, act with regard only to the interests of the Noteholders 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 Terms and Conditions.
- (e) The Agent is entitled to engage external experts when carrying out its duties under the Terms and Conditions. The Issuer shall on demand by the Agent pay all costs for external experts engaged after the

occurrence of a Default Event or for the purpose of investigating or considering (i) an event or circumstance which the Agent reasonably believes is or may lead to a Default Event or (ii) a matter relating to the Issuer which the Agent reasonably believes may be detrimental to the interests of the Noteholders hereunder.

- (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 Terms and Conditions 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 reasonable fees to the Agent) in complying with instructions of the Noteholders, or taking any action at its own initiative, will not be covered by the Issuer or the Noteholders (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 Noteholders (i) before it ceases to perform its obligations under the Terms and Conditions by reason of the non-payment by the Issuer of any fee or indemnity due to the Agent under the Terms and Conditions or the Agency Agreement or (ii) if it refrains from acting for any reason described in Clause (h).
- (j) The Agent's duties under the Terms and Conditions are solely mechanical and administrative in nature and the Agent only acts in accordance with the Terms and Conditions and upon instructions from the Noteholders, unless otherwise set out in the Terms and Conditions. In particular, the Agent is not acting as an advisor (whether legal, financial or otherwise) to the Noteholders or any other person.
- (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 Terms and Conditions unless to the extent expressly set out in the Terms and Conditions, or to take any steps to ascertain whether any Default Event 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.

### **18.3 Limited Liability of the Agent**

- (a) The Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with the Terms and Conditions, unless directly caused by its negligence or wilful misconduct or unless otherwise provided for in the Act on Noteholders' Agent. The Agent shall never 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 Noteholders to delay the action in order to first obtain instructions from the Noteholders.
- (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 Terms and Conditions to be paid by the Agent to the Noteholders, 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 Noteholders for damage caused by the Agent acting in accordance with instructions of the Noteholders given in accordance with Clause 14 (*Decisions by Noteholders*) or a demand by Noteholders given in accordance with the Terms and Conditions.

- (e) Any liability towards the Issuer which is incurred by the Agent in acting under, or in relation to, the Terms and Conditions shall not be subject to set-off against the obligations of the Issuer to the Noteholders under the Terms and Conditions.
- (f) The Agent is not liable for information provided to the Noteholders by or on behalf of the Issuer or by any other person.

#### **18.4 Replacement of the Agent**

- (a) Subject to paragraph (f) below, the Agent may resign by giving notice to the Issuer and the Noteholders, in which case the Noteholders shall appoint a successor Agent at a Noteholders' 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 Noteholder (or Noteholders) 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 Noteholder on the Business Day immediately following the day on which the notice is received by the Issuer and shall, if given by several Noteholders, be given by them jointly), require that a Noteholders' Meeting is held for the purpose of dismissing the Agent and appointing a new Agent. The Issuer may, at a Noteholders' Meeting convened by it or by way of Written Procedure initiated by it, propose to the Noteholders that the Agent be dismissed and a new Agent appointed.
- (d) If the Noteholders 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 Noteholders, 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 Terms and Conditions.
- (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 Terms and Conditions but shall remain entitled to the benefit of the Terms and Conditions and remain liable under the Terms and Conditions in respect of any action which it took or failed to take whilst acting as Agent. Its successor, the Issuer and each of the Noteholders shall have the same rights and obligations amongst themselves under the Terms and Conditions 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 0, 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 Terms and Conditions and the Agency Agreement. 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.

#### **19. 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 and/or issued by the CSD and relating to the Capital Notes.

- (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 paying agent in accordance with these Terms and Conditions.

## **20. 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 Capital Notes.
- (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 Noteholder.

## **21. No Direct Actions by the Noteholders**

- (a) A Noteholder may not take any steps whatsoever against the Issuer to enforce or recover any amount due or owing to it pursuant to the Terms and Conditions (save for in accordance with Clause 13 (*Enforcement*)). A Noteholder may not initiate, support or procure the winding-up, dissolution, liquidation, company reorganisation (Fi. *Yrityssaneeraus*), restructuring (Sw. *Företagsrekonstruktion*, Ge. *Verfahren unter dem Unternehmensstabilisierungs- und Restrukturierungsgesetz*) or bankruptcy (Fi. *Konkurssi*, Sw. *konkurs*, Ge. *Insolvenz*) (or its equivalent in any other jurisdiction) of the Issuer in relation to any of the liabilities of the Issuer under the Terms and Conditions. Such steps may only be taken by the Agent in accordance with these Terms and Conditions.
- (b) Paragraph (a) above shall not apply if the Agent has been instructed by the Noteholders in accordance with the Terms and Conditions 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 Noteholder to provide documents in accordance with Clause (b)), 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 Terms and Conditions or the Agency Agreement or by any reason described in Clause (h), such failure must continue for at least forty (40) Business Days after notice pursuant to Clause (i) before a Noteholder may take any action referred to in paragraph (a) above.

## **22. Prescription**

- (a) The right to receive repayment of the principal of the Capital Notes 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 Noteholders' 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 Capital Notes, 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.

## **23. Press Releases**

- (a) Any notice that the Issuer or the Agent shall send to the Noteholders shall also be published by way of press release by the Issuer or the Agent, as applicable.

- (b) In addition to paragraph (a) above, if any information relating to the Capital Notes or the Issuer contained in a notice the Agent may send to the Noteholders 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 Noteholders 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 Noteholders, the Agent shall be entitled to issue such press release.

#### **24. Force Majeure and Limitation of Liability**

- (a) Neither the 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 or the Issuing Agent itself takes such measures, or is subject to such measures.
- (b) The Issuing Agent will not be liable to the Noteholders for damage or loss caused by any action taken or omitted by it under or in connection with the Terms and Conditions, unless directly caused by its gross negligence or wilful misconduct. The Issuing Agent shall not be responsible for indirect damages.
- (c) Should a Force Majeure Event arise which prevents the 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 24 apply unless they are inconsistent with the provisions of the applicable securities registration legislation which provisions shall take precedence.

#### **25. 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 City Court of Stockholm (Sw. *Stockholms tingsrätt*).
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## CERTAIN INFORMATION ON THE CAPITAL NOTES

Type of the Issue:	Unsecured and subordinated perpetual capital notes, subsequent listing on the corporate bond list of Nasdaq Stockholm.
Ranking of the Capital Notes:	<p>The Capital Notes constitute unsecured, unguaranteed and deeply subordinated obligations of the Issuer ranking behind all claims of unsubordinated creditors of the Issuer, ranking pari passu among each other and with any present or future outstanding capital notes of the Issuer, and in priority to payments to the holders of all classes of share capital of the Issuer in their capacity as such holders and any other obligations of the Issuer expressed by its terms to rank junior to the Capital Notes.</p> <p>The Issuer may on one or more occasions issue additional Capital Notes amounting to maximum EUR 50,000,000 in aggregate (together with the initial Capital Notes Issue, in total EUR 100,000,000 (each a “<b>Subsequent Capital Note</b>”).</p>
Form of the Capital Notes, depository and settlement system:	Securities in dematerialized, book-entry form issued in the book-entry securities system maintained by Verdipapirsentralen ASA Norwegian reg. no. 985 140 421, Fred Olsens gate 1, NO-0152 Oslo, Norway.
ISIN:	NO0011037327
Issue Price:	Issue price of 99.50 per cent of the Nominal Amount. Any Subsequent Capital Notes may be issued below, above or at par.
Minimum subscription amount:	EUR 100,000.
Denomination of a book-entry unit:	EUR 1,000.
Interest on the Capital Notes:	EURIBOR (3 months) plus the Margin, payable quarterly in arrears. Should EURIBOR be less than zero (0), EURIBOR shall be deemed to be zero (0).
Margin:	Means (i) in respect of the period from (and including) the First Issue Date to (but excluding) the Step-up Date 8.90 per cent. <i>per annum</i> , and (ii) in respect of the period from (and including) the Step-up Date, 13.40 per cent. <i>per annum</i> .
First Issue Date:	5 July 2021.
Step-up Date:	5 July 2026.
Maturity:	The Capital Notes are undated securities with no specified maturity date.
Agent:	Nordic Trustee & Agency AB (publ).
Applicable law:	Swedish law.
Rating:	<p>The Issuer has been rated by Fitch Ratings Inc with a rating B+ (neg.).</p> <p>The Capital Notes have been assigned a credit rating of B- by Fitch Ratings Inc.</p> <p>Pursuant to Finch Rating Inc, B’ ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are</p>

currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

Interests of the participants of the Offering: Interests of the Bookrunner: Business interest normal in the financial markets.

Interests of the Agent: Business interest normal in the financial markets.

Estimated total expenses related to the Offering and the Listing: The estimated total expenses incurred in connection with the Offering and Listing amount in aggregate to approximately EUR 1.2 million.

Estimated net proceeds related to the Offering: The estimated net amount of proceeds of the Offering amount to approximately EUR 48.55 million.

Listing: Application will be made to have the Capital Notes listed on Nasdaq Stockholm. The Capital Notes are expected to be listed on or about 27 October 2021, provided that Nasdaq Stockholm approves the listing application.

## **BUSINESS OF THE GROUP**

### **Overview**

The Issuer, Multitude SE, is a Societas Europaea established on 8 March 2005 and organized under the laws of Finland. The Issuer has 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 Issuer is the parent company of the group with a total of 37 subsidiaries and branches in 19 countries (the “Group”). Multitude is headquartered in Helsinki, Finland. After its incorporation in 2005, it has expanded to operate in 19 countries across Europe, South and North America, Australia and Asia. The Company has EU wide banking license granted by the Malta Financial Services Authority and since February 2015, its shares have been listed on Frankfurt Stock Exchange Prime Standard. The Issuer intends to relocate from Finland to Germany on or about 31 December 2021.

Multitude is a financial technology company that develops and operates a big data based global financial platform for real-time scoring, lending and banking services. Multitude is a specialist in particular in online processes with a centralized technology infrastructure and sales experts. 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 June 2021, Multitude has approximately 467,000 active customers that have an open Mobile Bank or Wallet account or an active loan balance in the last 12 months.

### **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 unique scoring, and utilise world class data to understand and fulfil the needs and desires of its customers before they even realise such themselves.

Further, Multitude’s mission is to democratize financial services by offering everyone value beyond money through fast, easy and superior customer experience.

### **Personnel**

As at 30 June 2021, the Group had a total of 672 employees. In 2020, the Issuer had an average of 55 employees. In 2020, the Group’s annual employee costs amounted to approximately EUR 33.9 million. The Group’s annual employee costs have decreased by 22.7 per cent. from 2019 to 2020 as the Group has implemented significant cost savings.

### **History**

The Company was founded in 2005 by the current CEO and largest shareholder (approx. 55 per cent.), Jorma Jokela. The Company’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 license 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 license also enabled deposit funding. In 2015, the Group listed its shares on Frankfurt Stock Exchange as well as launched its mobile banking platform, which enabled an efficient roll-out of services across its active markets.

In the previous years, the Group has shifted its operations towards longer tenor products with higher customer lifetime value and has established profitable SME lending operations. As at 30 June 2021, the Group had a total loan portfolio of EUR 412.8 million with 467 thousand active customers across 19 markets.

The Group has historically been operating with a single business unit with five product segments: Microloan, PlusLoan, Credit Limit, SME loans and Mobile Wallet, including PrimeLoan. In recent year, Multitude has been operating with lower risk appetite and has been shifting towards providing larger, longer-term loans with higher customer lifetime value.

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 (Microloans, PlusLoan, CreditLimit), CapitalBox (SME lending) and SweepBank (PrimeLoan and Mobile Wallet). With the new brands and strategy in place, the Group's business units have more independent roles with P&L responsibility, and will accordingly be even more closely aligned to the customers and their specific needs. Multitude will continue to be a platform that enables the three new business units to flourish.

### **Group Structure**

The Group includes, besides the Issuer, Suomen Joustava Oy, CapitalBox AB, Ferratum Latvia SIA, Ferratum Czech s.r.o., Global IT Services s.r.o., Pactum Poland Sp. z o.o., Saldodibje S.L., Ferratum Bulgaria EOOD, Ferratum Denmark ApS., Ferratum Capital Oy, Ferratum UK Ltd, Ferratum Australia Pty Ltd, Numeratum d.o.o., Ferratum Bank p.l.c., Ferratum (Malta) Holding Limited, Swespar AB, Ferratum Romania I.F.N. S.A., Ferratum Capital Germany GmbH, Ferratum International Services Oy, Ferratum International Services Oy, Helsinki, Zug Branch, CapitalBox GmbH, Vector, Procurement Solutions INC, Ferratum Mexico S. de R.L. de C.V., UAB "Ferratum Finance", Pactum Collections GmbH, Ferratum Brasil Servicos De Correspondente Bancario Ltda, Inari Servicos Financeiros Ltda, Bidellus Bangladesh Ltd, CapitalBox AB, Lietuvos filialas, Ferratum Portfolio S.à.r.l., Guarantee Services OÜ, fe Business Services OÜ, CapitalBox AB Dutch Branch, Mr Credit Pty Ltd, CapitalBox AB, Finnish branch, Vector Procurement Solutions Inc. (Malta Branch) as well as Bhawana Securities and Financial Services Limited. The following graph sets out the structure of the Group as at the date of this Prospectus.

<b>Multitude SE subsidiaries as the date of this Prospectus</b>				
<b>No.</b>	<b>Name</b>	<b>Country of incorporation</b>	<b>Group share of holding</b>	<b>Parent company share of holding</b>
1	<b>Suomen Joustava Oy</b>	Finland	100%	100%
2	<b>CapitalBox AB</b>	Sweden	100%	100%
3	<b>Ferratum Latvia SIA</b>	Latvia	100%	100%
4	<b>Ferratum Czech s.r.o.</b>	Czech Republic	100%	100%
5	<b>Global IT Services s.r.o.</b>	Slovakia	100%	100%
6	<b>Pactum Poland Sp. z o.o.</b>	Poland	100%	100%
7	<b>Saldodipje S.L.</b>	Spain	100%	100%
8	<b>Ferratum Bulgaria EOOD</b>	Bulgaria	100%	100%
9	<b>Ferratum Denmark ApS</b>	Denmark	100%	100%
10	<b>Ferratum Capital Oy</b>	Finland	100%	100%
11	<b>Ferratum UK Ltd</b>	Great Britain	100%	100%
12	<b>Ferratum Australia Pty Ltd</b>	Australia	100%	100%
13	<b>Numeratum d.o.o.</b>	Croatia	100%	100%
14	<b>Ferratum Bank p.l.c.</b>	Malta	100%	0.00001%
15	<b>Ferratum (Malta) Holding Limited</b>	Malta	100%	99.99999%
16	<b>Swespar AB</b>	Sweden	100%	100%
17	<b>Ferratum Romania I.F.N. S.A.</b>	Romania	99.93%	99.93%
18	<b>Ferratum Capital Germany GmbH</b>	Germany	100%	100%

19	<b>Ferratum International Services Oy</b>	Finland	100%	100%
20	<b>Ferratum International Services Oy, Helsinki, Zug Branch</b>	Head Office Ferratum International Services Oy		
21	<b>CapitalBox GmbH</b>	Germany	100%	100%
22	<b>Vector Procurement Solutions Inc.</b>	Canada	100%	100%
23	<b>Ferratum Mexico S. de R.L. de C.V.</b>	Mexico	100%	99.99%
24	<b>UAB Ferratum Finance</b>	Lithuania	100%	100%
25	<b>Pactum Collections GmbH</b>	Germany	100%	100%
26	<b>FERRATUM BRASIL SERVICOS DE CORRESPONDENTE BANCARIO LTDA</b>	Brazil	100%	99%
27	<b>Inari Serviços Financeiros Ltda</b>	Brazil	100%	99%
28	<b>Bidellus Bangladesh Ltd</b>	Bangladesh	100%	0%
29	<b>CapitalBox AB, Lietuvos filialas</b>	Head Office CapitalBox AB		
30	<b>Ferratum Portfolio S.à r.l.</b>	Luxembourg	100%	100%
31	<b>Guarantee Services OÜ</b>	Estonia	100%	100%
32	<b>fe Business Services OÜ</b>	Estonia	100%	100%
33	<b>CapitalBox AB Dutch Branch</b>	Head Office CapitalBox AB		
34	<b>Mr Credit Pty Ltd</b>	Australia	100%	100%
35	<b>CapitalBox AB, Finnish branch</b>	Head Office CapitalBox AB		
36	<b>BHAWANA SECURITIES AND FINANCIAL SERVICES LIMITED</b>	India	99.29%	0%
37	<b>Vector Procurement Solutions Inc. (Malta Branch)</b>	Head Office Vector Procurement Solutions Inc.		

## Business Operations

### Overview

As described above, Multitude currently operates through three business units: Ferratum, CapitalBox and SweepBank, offering its customers fast and easy-to-use mobile lending and banking services, unsecured digital consumer loans and small business loans. Ferratum business unit, facilitating some 86 per cent. of the Group's revenues, provides consumers across 14 markets with unsecured digital consumer loans. CapitalBox business unit, facilitating some 11 per cent. of the Group's revenues, provides business loans for small and medium sized enterprises in six European markets. SweepBank business unit, facilitating some 3 per cent. of the Group's revenues, provides mobile banking, lending and payment services in 4 markets across Europe.

The Group has operations across 19 countries, with 95.9 per cent. of revenues contributed from Europe, of which the Nordics contribute with the highest share of revenues. In H1 2021, the Group's revenue stood at EUR 104.5 million, a decrease of 13.7 per cent. compared to H1 2020 (EUR 121.1 million) and the Group achieved an operating profit for the first half of 2021 of EUR 13.1 million (H1 2020: EUR 9.7 million).

Multitude constitutes of autonomous businesses for financial services in their own individual business units of financial services. 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.

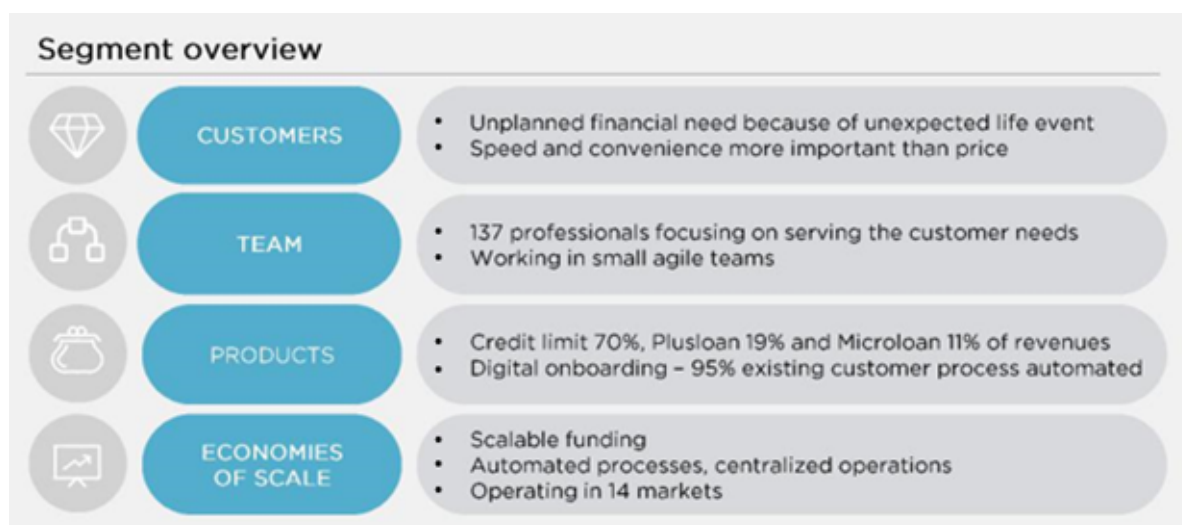
***Ferratum – Main profit contributor offering the Near Prime loan solutions***

The Ferratum business unit is the legacy business and main profit contributor of the Group offering the Near Prime loan solutions Microloan, Plusloan and Credit Limit to customers across 14 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.

Microloan offers customers rapid and straight-forward access to small cash amounts. PlusLoan products are offered to customers in larger amounts, ranging from EUR 300-5,000 with a maturity period of 2-36 months. 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. 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 operating profit. However, due to a strategic decision to implement stricter scoring, harnessing of new data sources, greater agility and more centralized operations, the business unit grew stronger with higher loan amounts to higher-quality customers with improved payment behavior.

In H1 2021, the Ferratum business unit accounted for EUR 89.8 million (EUR 104.5 million in H1 2020) i.e. 86.6 per cent. of Multitude’s revenue. Ferratum’s operating profit amounted to EUR 22.2 million (EUR 17.6 million in H1 2020).



***CapitalBox - European FinTech powerhouse with a digital lending to SMEs***

After the brand renewal, CapitalBox has a pure focus on digital lending to SMEs. CapitalBox’s vision has been establishing a European FinTech powerhouse for funding services to small businesses. With a history dating back to 2015, CapitalBox has grown into a fintech player providing small- and medium sized enterprises (SMEs) rapid and easy working capital loans in amounts up to EUR 350,000 with 12-36-month tenors. CapitalBox has operations in six markets: Finland, Denmark, Sweden, Lithuania, the Netherlands and the UK. 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 445,000 in annual revenues and three employees.

The information provided, sophisticated algorithms as well as automated external checks, risk analysis and decisioning, 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.

CapitalBox's revenues decreased from EUR 15 million in H1 2020 to EUR 11.2 million in H1 2021 and operating profit decreased from EUR 2.7 million in H1 2020 to EUR 0.38 million in H1 2021. In H1 2021, CapitalBox accounted for 17.2 per cent. and 10.7 per cent. of Multitude's net loan receivables and revenue, respectively.

In terms of the competitive landscape, CapitalBox views itself as a pan-European agile, digital player. As to the market potential, there is EUR 280 billion European wide SME funding gap and 25.0 million SMEs in Europe, according to the management.

CapitalBox reduced lending activities in the midst of COVID-19. Customers showed solid payment behaviour in 2020, with paid back rates actually improving throughout the year. According to the management, the improvement in paid back rates was mainly due to more rigorous credit policies and stricter scoring. Since Q3 2020 it has selectively increased lending appetite with loans and advances to customers amounting to EUR 71 million in H1 2021.

### ***SweepBank – a digital bank with a mobile wallet solution***

After the brand renewal, the Group offers PrimeLoan and MobileWallet services under the SweepBank brand and business unit. SweepBank was introduced in Q2 2021 as Multitude's digital banking platform offering prime loan financing and a mobile wallet solution in Finland and Latvia, with plans for Sweden and Germany in the future. Prime Loan represents the newest addition to the consumer product portfolio of Multitude. Prime Loan is Multitude's largest instalment loan, with loan amounts in the range EUR 3,000-30,000 and terms between 1-10 years.

Multitude has experienced significant growth in prime lending over 2020. In 2020, net receivables for prime lending increased by 96 per cent. and the number of customers by 111 per cent. Growth continued in 2021, as SweepBank over doubled its revenues to EUR 3.6 million in H1 2021, an increase of 119.9 per cent. (EUR 1.6 million in H1 2020). SweepBank's operating profit in H1 2021 was EUR -9.5 million (EUR -10.3 million in H1 2020). Prime loan customers are characterised by strong payment behaviour, with credit losses amounting to only 3 per cent.

SweepBank also offers its customers a proprietary mobile banking platform, Mobile Wallet, today operational in Finland and Latvia, with market entry in additional European markets planned for 2021. Utilizing the open API architecture of the app, the Group aims to establish partnership agreements in the future which would allow for seamless integration of service widgets by other companies and products, and savings products to be integrated going forward. Through the partnership approach SweepBank would be able to offer service provided by its partners and 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.

While still a limited business unit in terms of size (H1 2021: 3.4 per cent. of revenue, 15 per cent. of net receivables), SweepBank has been growing rapidly and is excellently positioned for growth, according to the management.

### **Technology**

Technology is at the core of Multitude's decision-making processes, ensuring that customers are provided the most suitable products. Multitude's technology has been built to support the whole ecosystem, business strategy and organization, 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 maximizes infrastructure utilization.

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 interfaces; and
- Cloud-native Infrastructure – The infrastructure is managed as code to ensure automated code delivery (CI/CD pipeline). The infrastructure scales automatically to provide optimized resources.

## **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 our 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 execution. They own the entire customer journey and have full responsibility of the results of their business. These businesses are fuelled by lead generation, conversion, risk excellence, CRM 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.

Sources of growth are the independent businesses, further product rollouts, partnerships, M&A, new market entries, co-investors, and cross-sales. 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 its delivers value for its stakeholders. The Group is currently developing ESG ambitions which will enable the Group's strategies, risk management processes and governance structures to reflect its understanding of the ESG impacts and opportunities. As a part of building the foundation of ESG governance, the Group has hired an ESG Officer and convened an ESG Steering Committee which includes the CEO. In addition, Multitude's board of directors are involved in driving the development of the Group’s ESG ambitions and strategy. The Group also plans to enhance ESG considerations within its products and services. The Group's existing product offering and services already reflect the Group's commitment to sustainability, as for example, SweepBank provides customers with a plastic free alternative to banking.

Multitude does not rely solely on its own innovative power, but intends to create 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 the Company and its partners to scale addressable markets. Through ongoing innovation, development of services, geographic expansion, and global partnerships, the Company is seeking to continue delivering sustainable, profitable growth to its shareholders.

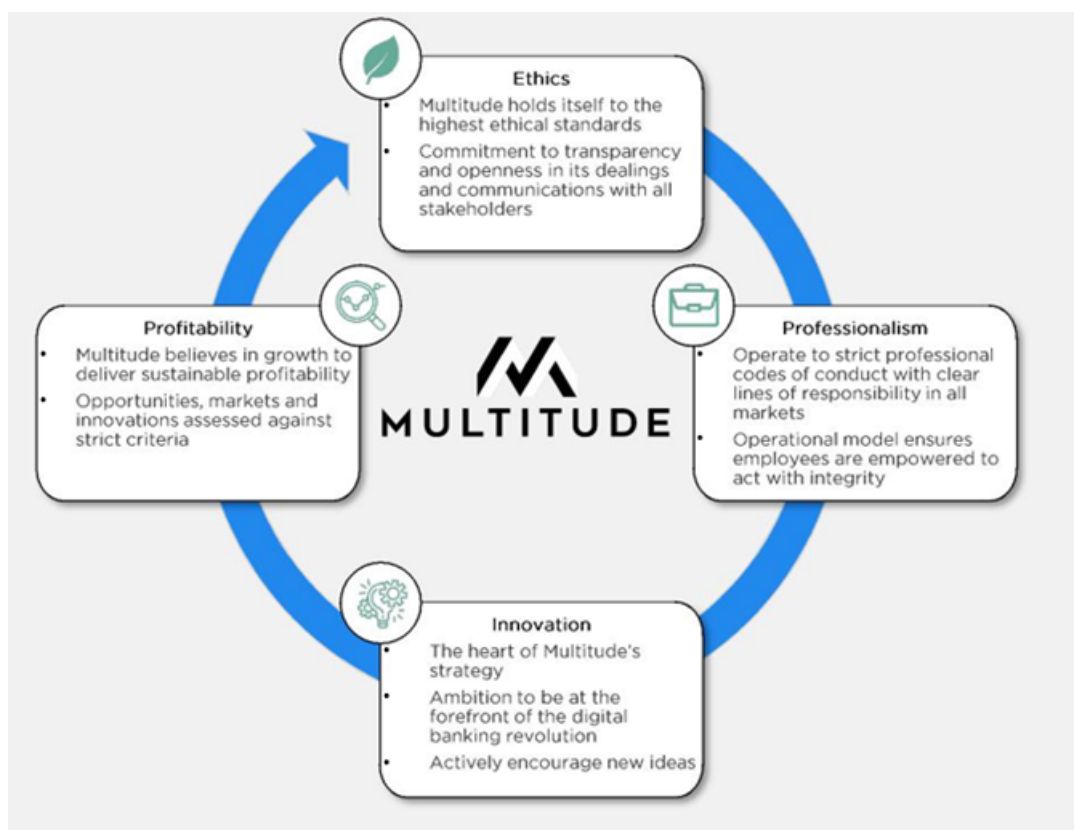
At the centre of Multitude’s strategy is the Company’s mission of democratising financial services through digitalisation. Multitude’s success is measured with the satisfaction of its customers, the satisfaction and motivation of its people, and by profitable growth.

### 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 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. 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.



## Recent Events

### *COVID-19 Pandemic*

Multitude has had successful mitigating actions to handle COVID-19 impact. Multitude implemented a four-step action plan to take mitigative actions to tackle COVID-19 related uncertainty during 2020, whereas liquidity management was at a core.

The Group's cash position as at 30 June 2021 was EUR 270.2 million and EUR 236.6 million as at 31 December 2020. Multitude had a strict management of risk appetite along the pandemic waves and lockdown measures, with suspension of lending activities in selected markets and focus on quality loan segments, which was observed as continued strong or even improving payment behavior throughout the year. Multitude also focused on cost management with a substantially leaner organization, and in 2020, its cost base came down by 20 per cent., in addition to which the Group identified new opportunities for future growth with SME lending and the Mobile Wallet solution. Cost savings resulted mainly from reduced personnel expenses, number of headcounts, fixed costs related to certain markets as well as implementation of leaner, more automatized processes.

### *Legal and Regulatory Matters and Proceedings*

#### *Legal and Regulatory Matters*

The EU Consumer Credit Directive (2008/48/EC) (the "CDD") was adopted in April 2008 and entered into force in May 2008. The Member States were obliged to harmonize their legislation by May 12, 2010. To serve the purposes of consumer protection and credit transparency, the CDD mandates disclosure of a standardized annual percentage rate figure for all consumer credit products. On 1 July 2021, the European Commission issued a proposal for a Directive on consumer credits repealing and replacing the CDD. The draft directive proposes revisions to, among others, extension of the scope of the CDD to smaller loans, reduction of the amount of information to be provided to consumers in advertising when provided through certain channels, how and when pre-contractual information is presented and banning practices that exploit certain consumer behavior.

The FIN-FSA has considered that the Issuer fulfils the criteria of a financial holding company under Directive 2013/36/EU of the European Parliament and of the Council of 26 June 2013 on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms, amending Directive 2002/87/EC and repealing Directives 2006/48/EC and 2006/49/EC (the "CRD IV") (as amended by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 amending the CRD IV as regards exempted entities, financial holding companies, mixed financial holding companies, remuneration, supervisory measures and powers and capital conservation measures the ("CRD V")) and, therefore, would be required to seek for an approval from the Malta Financial Services Authority and the FIN-FSA in accordance with Article 21 a of the CRD V and the implementing Finnish legislation that came into force on 1 April 2021. However, the Issuer has on 28 June 2021 filed an application for exemption from the approval requirement in accordance with Article 28(4) of the CRD IV and the Finnish implementing legislation. The Issuer has sought for the exemption on the basis of the general criteria set for the exemption in Article 21a (4) of the CRD V and the Finnish implementing provision in Chapter 2 a, section 1, subsection 2 of the Finnish Act on Credit Institutions (Fi: *laki luottolaitostoiminnasta*, 610/2014). The application has been set up in accordance with the Finnish Ministry of Finance Decree 264/2021 on information to be included in certain applications concerning credit institution activities (Fi: *valtiovarainministeriön asetus eräisiin luottolaitostoimintaa koskeisiin lupahakemuksiin liitettävistä selvityksistä*). The Issuer's management considers that the Issuer fulfills all the requirements set for the exemption. As at the date of this Prospectus, the Issuer has no further knowledge of processing of the exemption application, but should the outcome of the exemption application be negative, the Group plans to apply for the license.

The Group operates in several markets making use of Ferratum 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. Ferratum 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 debt-holders. 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 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 and/or the financial position or profitability of the Group, nor is the Issuer aware of any pending proceedings or the threat thereof that may have a significant effect on the Issuer and/or the financial position or profitability of the Group.

#### *Material Agreements*

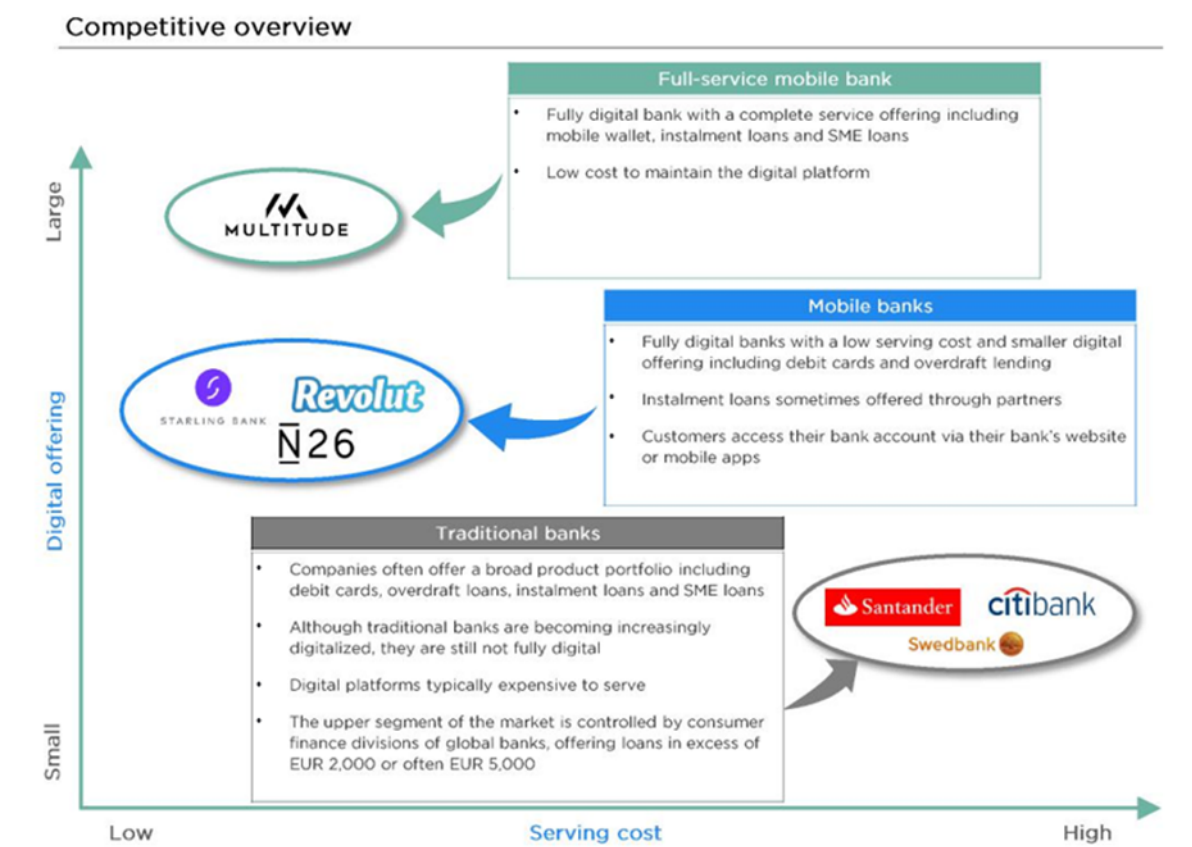
The Issuer has not entered into any material contracts (other than contracts entered into in its ordinary course of business) which could result in any Group company being under an obligation or entitlement that is material to the Issuer’s ability to fulfil its obligations to the Noteholders.

## MARKET OVERVIEW

### Overview

The Issuer's management estimates that the EU consumer credit market is becoming increasingly digitalized 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, traditional banks' platforms are typically more expensive to serve than those of digital banks. Digital mobile consumer loans serve as an important driver of the digitalization 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. 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. Seamlessly integrating unsecured loans and future products with a mobile wallet offer Sweep Bank strategic market opportunities going forward. Overview of the Group's competitive positioning, as viewed by the management, has been described on the below chart.



### Multitude's Business Environment and Growth Opportunities

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

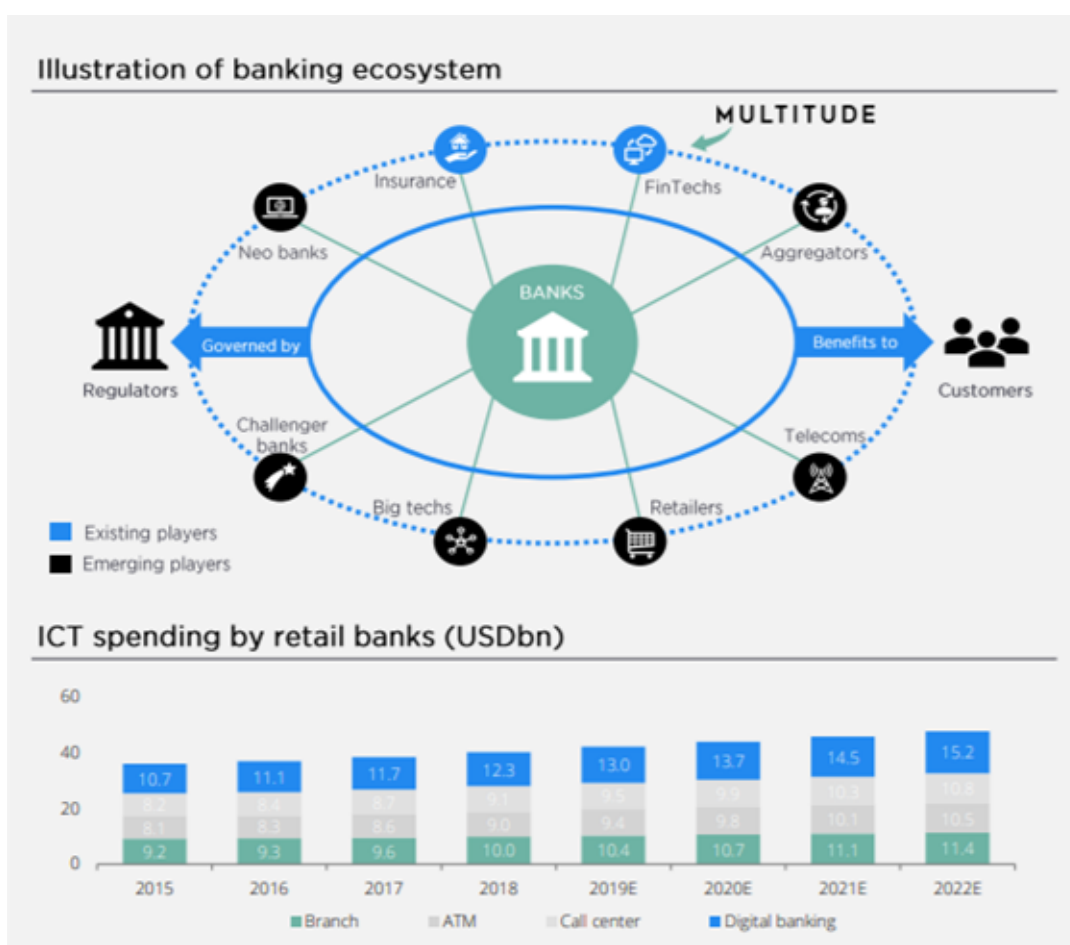
The financial industry is in the midst of a surge in partnerships and collaborations, with banking products and services being rebundled via a platform where users can satisfy a variety of financial needs. Due to open banking initiatives from governments and regulators, an evolved banking ecosystem has resulted, which is less risky and more convenient for customers. To remain relevant within the new ecosystem, financial companies will have to think beyond open banking to a shared marketplace future, Multitude's management estimates. The days of traditional financial services implying merely providing products are seen as over. Financial services companies

are required to increase service offering to bolster competitiveness. Particularly traditional banks must re-determine their role of play to ensure the ability to leverage their strengths.

The Issuer’s management views that in 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 Company is in the industry forefront of digitalization process.

The following chart illustrates players within banking ecosystem and sets forth ICT spending by retail banks for the years indicated:



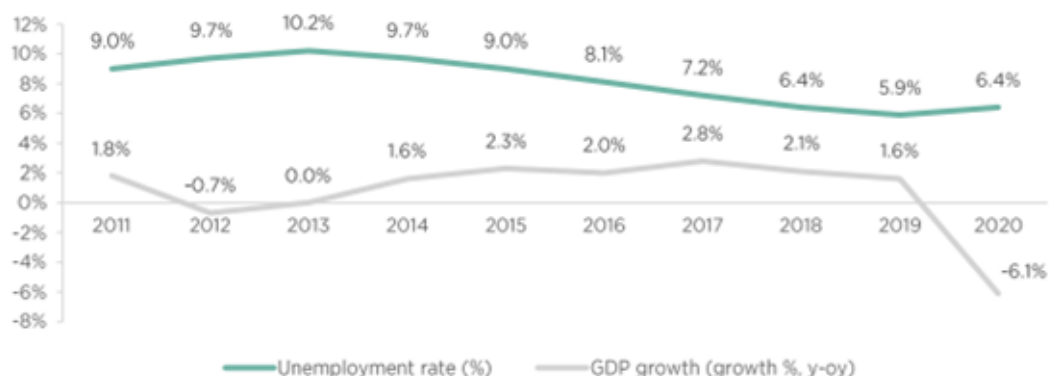
Source: Gap Gemini, Efma, Deloitte

### Macroeconomic Developments in Europe

According to the Eurostat statistics, EU GDP growth weakened in 2020, which was primarily due to the COVID-19 pandemic, with wide lockdowns and higher unemployment rates as a consequence. Unemployment is expected to decrease again, following COVID-related stimulus packages and a continuously increasing vaccination rate.

The chart below illustrates the GDP growth and unemployment rate in the EU27 during the years 2011-2020:

## EU27 GDP growth and unemployment rate



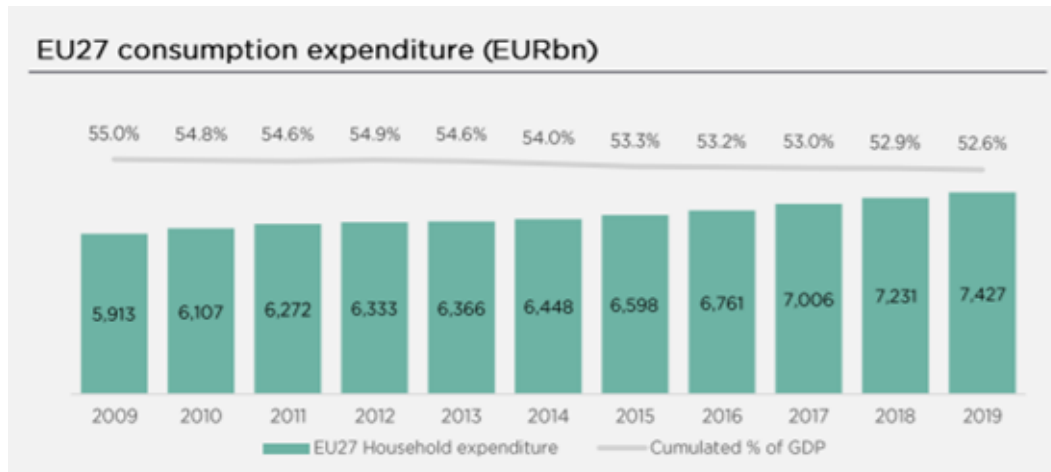
Source: European Central Bank, Eurostat

## Household Consumption Expenditure

According to the Eurostat statistics, EU consumption expenditure has experienced stable and constant growth between 2009-2019, reaching EUR 7,427 billion in 2019. Disposable income of households, consumer credit markets and the developments in housing markets have had a significantly positive impact on the growth of total household consumption since 2009. Demographic trends appear to have had a relatively limited impact on overall growth.

In 2019, EU total household expenditure amounted to 52.6 per cent. of GDP, implying a slight decrease to the previous years, in line with the overall downward trend that has been observed since 2009, where household expenditure peaked at 55.0 per cent. of GDP.

The following chart illustrates consumption expenditure in EU27 for the years indicated:



Source: European Central Bank, Eurostat

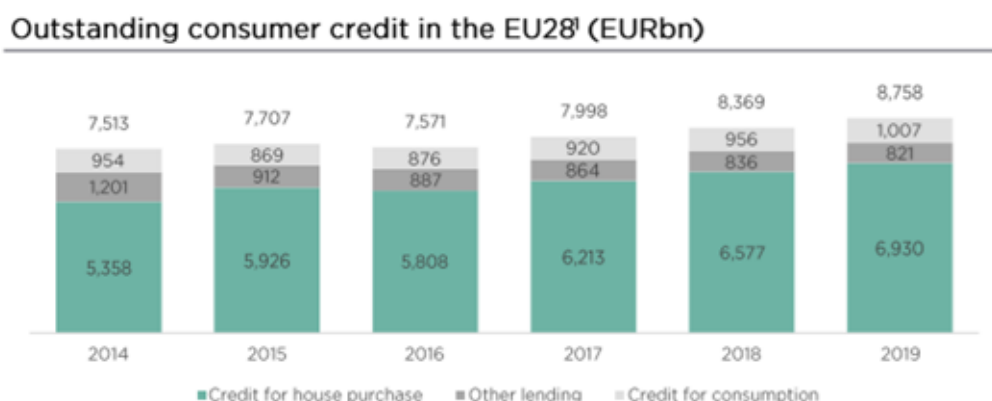
## Stable European Loan Stock

The aggregate consumer credit stock in the EU has been growing rather steadily during the past five years. The largest growth is due to increased lending for housing purposes, in addition to which credit for consumption is growing more rapidly at a 3.1 per cent. CAGR since 2014.

Many authorities, such as Norwegian and Swedish FSA, in respective European countries are reporting that demand for consumer credit has been increasing both in terms of volume as well as value of loans. This is suggested to be an effect of decreasing interest rates and sustained growth of private consumption; but also stricter amortising requirements on mortgages, which has created additional pressure on consumers' disposable income.

The European consumer credit market is expected to continue increase due to overall economic improvement and rise in domestic consumption.

The following chart sets out the outstanding consumer credit in the EU28 for the years indicated:

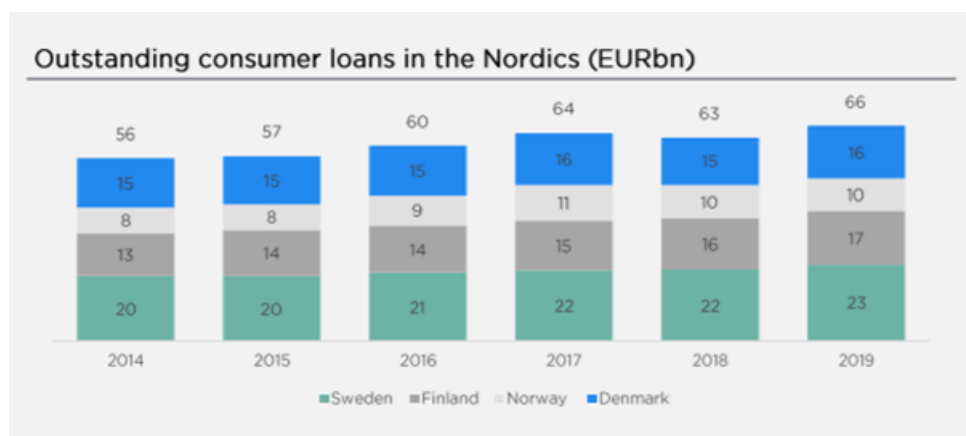


Source: ECB, EBA, Statistics Denmark, Norwegian FSA, Swedish FSA, Finland's Bank

### Strong Activity in the Nordics

Multitude's core market, the Nordics, has experienced favourable growth in consumer lending in the past couple of 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.

The following chart describes the outstanding consumer loans in the Nordics for the years indicated:



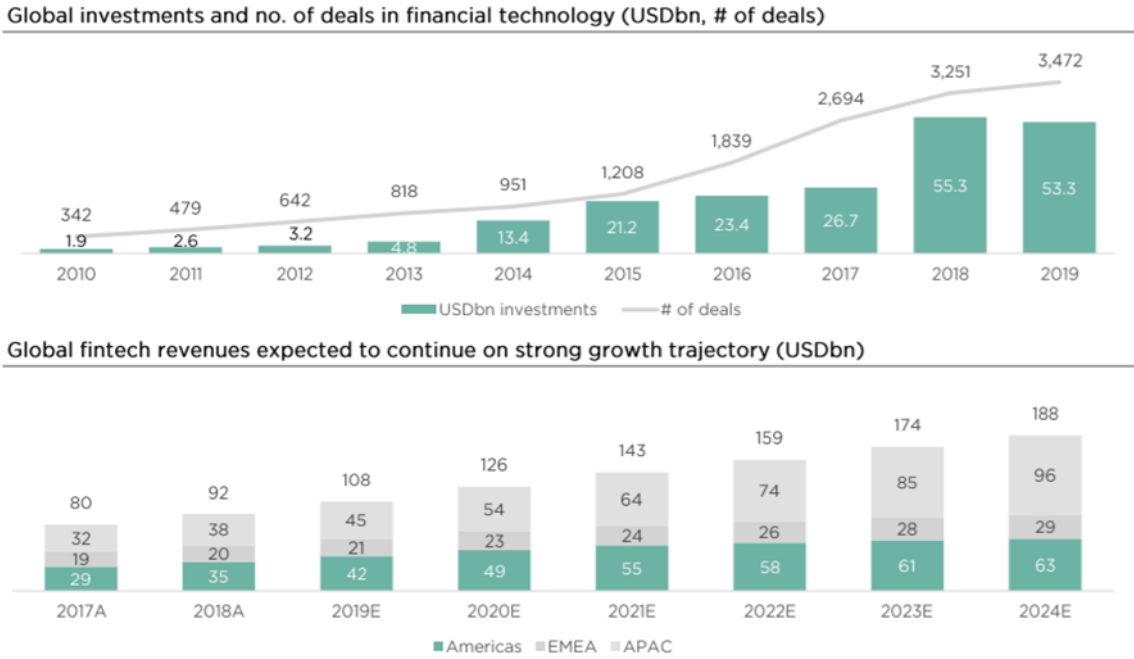
Source: ECB, EBA, Statistics Denmark, Norwegian FSA, Swedish FSA, Finland's Bank

### FinTech Market on a Strong Growth Trajectory

According to the 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 in Financial Technology in last couple of years with around USD 53bn equivalent invested in 2019 globally. 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, with APAC projected to be the fastest growing.

The chart below sets forth the global investments and number of deals in financial technology industry as well as expected global fintech revenues for the years indicated:



Source: Accenture, Deloitte

## FINANCIAL AND OTHER INFORMATION

### Historical Financial Information

The Company prepares its consolidated financial statements in accordance with the International Financial Reporting Standards (IFRS), as adopted in the European Union. Multitude's unaudited consolidated Half-year Report as at and for the six months ended 30 June 2021, including the unaudited comparative consolidated financial information as at and for the six months ended 30 June 2020, as well as audited consolidated financial statements as at and for the financial year ended 31 December 2020, including the unaudited restated comparative consolidated financial information for the financial year ended 31 December 2019 have been incorporated into this Prospectus by reference.

Save for the Company's audited consolidated financial statements as at and for the financial year ended 31 December 2020 incorporated by reference into this Prospectus, no part of this Prospectus has been audited.

### Financial Performance of Multitude

Multitude has seen strong growth since its establishment in 2005 with revenues reaching EUR 293 million in 2019, having grown at a 27.5 per cent. CAGR since 2015. 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.

The Group's lending activities were discontinued in Spain, Poland, Russia, Canada and New Zealand, 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. Revenues in H1 2021 amounted to EUR 104.5 million, with revenue down by 13.7 per cent. from 2020 due to the aforementioned factors. Impairments on loans decreased to EUR 32.9 million, having amounted to EUR 54.7 million in H1 2020. The decrease resulted mainly from improved credit quality due to cautious sales and scoring approach. Despite the still ongoing 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.

As at 30 June 2021, the Group's cash position amounted to EUR 270 million, having increased by some EUR 33 million from December 2020. The change is, to a large extent, attributable to increased customer deposits as and more cautious lending policy in 2020. The Group's net cash from operating activities has grown from EUR 33.3 million in 2017 to EUR 38.5 million in H1 2021.

Impairments on loans 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 recognized when a loss is paid out. Starting from Q1 2021, with the Q1 2020 figures restated, the adjustment for impairments on loans only comprises expected credit losses in the cash flow statement, with actual credit losses accounted for in movements in gross portfolio.

The Group's net investments have been relatively stable over the past years. Investments have primarily related to continued investments in the Group's IT platform and infrastructure. In 2020, net investments amounted to 5.9 per cent. of revenues, which is approximately in line with the 4-year average of 5.0 per cent.

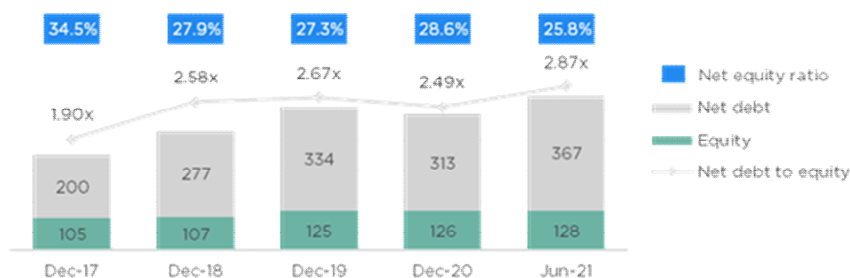
### Balance sheet

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 net accounts receivables amounting to EUR 412.8 million and cash standing at EUR 270 million in June 2021, whereas equity stood at EUR 128 million and total liabilities at EUR 637 million in June 2021. Net equity ratio and net debt to equity amounted to 16.7 per cent. and 2.87x, respectively, as at June 2021.

The increase in liabilities between 2017 and June 2021 is driven primarily by the increase in customer deposits, as well as the EUR 100 million and EUR 80 million bonds issued by Ferratum Capital Germany in May 2018 and April 2019, respectively.

The following chart illustrates Multitude’s equity and liabilities as per the year end on 2017, 2018, 2019 and 2020 as well as on March 2021:



Source: Multitude’s audited financial statements for the financial years 2017, 2018, 2019 (restated), 2020 as well as unaudited half-year report for 2021

### 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 are:

- CAGR
- Net debt to equity
- Net equity ratio

For detailed calculation formulas, see “*Calculation of Certain Alternative Performance Measures*“ below.

### Calculation of Certain Alternative Performance Measures

Alternative performance measures	Calculation
CAGR	$\left( \frac{\text{Last twelve months of the measure at the end of the measurement period}}{\text{Last twelve months of the measure at the beginning of the measurement period}} - 1 \right)^{1/y}$
Net debt to equity	(Total liabilities – cash and cash equivalents) / Total equity
Net equity ratio	Total equity / Total assets * 100

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 31 December 2020, the last day of the financial period in respect of which the most recently audited financial statements of the Group have been prepared, there has been no material adverse change in the prospects of the Group.

### **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 Company or the Group since 31 December 2020, which is the end of the last financial period for which an audited financial report has been published.

### **Share Capital and Ownership Structure**

As at 31 August 2021, the Issuer has issued a total of 21,723,960 ordinary shares and has a registered share capital of EUR 40,133,560.00 which is fully paid.

The main shareholder of the Company is the CEO, Jorma Jokela. The Company's 4 biggest shareholders are presented below with their respective ownership participation percentage as at 31 August 2021:

#### **Shareholders of Multitude SE**

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Jorma Jokela	55.19 %
Universal Investment GmbH	9.987 %
Dorval AM	5.09 %
Multitude SE	0.67 %
Other shareholders	29.073 %
<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 the MAR or the rules of Frankfurt Stock Exchange. Therefore, the summary is not exhaustive and does not discuss all stock exchange releases issued by the Issuer 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 the Issuer, the financial performance of the Issuer 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. The financial targets below have been prepared on a basis which is (i) comparable with Multitude’s historical financial information, and (ii) consistent with Multitude’s accounting policies.*

### **Publication of new strategy and financial targets**

On 8 June 2021, the Company announced that its Board of Directors has confirmed the Company’s new strategy, financial targets, and the change of the Group name from Ferratum Oyj to Multitude SE.

According to the new strategy, the Group’s business units will gain a more independent role and will consequently be even more closely aligned to their clients and their specific needs. Multitude will concentrate on business-critical operations centrally, with cost advantages derived from delivering greater economies of scale. The strategy and the new role for the Group is also reflected in the new name, Multitude.

Multitude’s strategic priorities for the years 2021-2024:

- Increased autonomy for tribes, with more agile operations and better focus on clients;
- Continuous development in our operations with economies of scale benefits at Group level;
- Executing operations according to the defined roles for the business units – SweepBank and CapitalBox for growth, Ferratum for strong profits and cash flows; and
- Looking for expansion opportunities in new markets and through M&A.

Financial targets:

- Multitude expects revenue growth during second half of 2021 (quarter-on-quarter), and expects all tribes to contribute to growth in 2022;
- For the financial year 2021, Multitude expects consolidated EBIT to be at or above EUR 20 million, taking into consideration current growth initiatives; and
- For the period 2022-2024, Multitude expects profitable growth, reflected in an EBIT growth rate of 50% p.a.

Multitude has based the given forecast on the assumption that there will be no negative soar in new COVID-19 cases in key markets or wide spread government-imposed lockdowns.

*The financial targets were prepared on the estimates and assumptions made by the Issuer’s management as regards the development of the Group’s business. The key factors affecting growth and consolidated EBIT that the Issuer can affect, are the implementation of the Group’s new strategy, exploring new opportunities such as new countries, products and partners and carrying out operating cost adjustments. Factors beyond the Issuer’s control are mainly related to the overall development of the banking services and digital solutions industries, legislative changes or initiatives and the development of the COVID-19 pandemic and the related government imposed countermeasures. Other general risk factors affecting the industry and business, such as general economic conditions and customers spending trends and currency exchange fluctuations are also beyond the Issuer’s control.*

### **Contemplation of the conversion into Societas Europaea (SE)**

On 29 October 2020, Multitude announced to be contemplating conversion into a European Company and considers different options for restructuring the governance structure of the Group. The Board of Directors of the Company resolved to investigate possibilities to convert the Company into a European Company, Societas Europaea (SE) to emphasize the international reach of the Group's operations and strengthen the Company's European identity. The aim is to make the Group structure more transparent and leaner from governance perspective.

The investigation will also cover strategic structural considerations, one of the options being an analysis on possibilities to subsequently relocate the company's headquarters to another EEA jurisdiction in accordance with the Finnish Act on European Company (742/2004) and the Council Regulation N:o 2157/2001 on the Statute for a European company (SE). The final decision on SE conversion is subject to final approval by the Board of Directors and the shareholders.

## BOARD OF DIRECTORS, MANAGEMENT AND AUDITORS

### 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, the Board of Directors, the Chief Executive Officer (CEO) and the Management Group. Shareholders of the Issuer participate 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 Capital Notes as well as the Issuer's Articles of Association. The Issuer also complies, as applicable, with the Finnish Corporate Governance Code 2020 adopted by the Securities Market Association effective as of 1 January 2020. The Company 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 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, organisation and finance.

At the date of this Prospectus, the Board of Directors of the Issuer consists of the following persons:

<b>Name:</b>	<b>Memberships in other Boards of Directors:</b>
<b>Fredrik Strange</b> Born 1985, M.Sc. in International Business & Economics, CEMS Masters in International Management, MBA <b>Chairman 2021–</b> <b>Member 2019–</b>	<i>N/A</i>
<b>Juhani Vanhala</b> Born 1953, M.Sc. Engineering <b>Member 2005–</b> <b>Chairman 2019-2020</b>	<b>Membership in other Boards of Directors:</b> <i>Fira Group Oy (Chairman)</i> <i>Workspace Oy (Chairman)</i> <i>Vanhanen International Oy</i> <i>Trim Energy Ltd</i> <i>Asiantuntijakeskus GordionPro Oy</i> <i>Glotask Oy</i> <i>PSI International Oy</i> <i>Rilamaju Invest Oy</i>
<b>Michael A. Cusumano</b> Born 1954, PhD (History & East Asian Languages) <b>Member 2019–</b>	<b>Membership in other Boards of Directors:</b> <i>ORIX Corporation</i>
<b>Goutam N. Challagalla</b>	<b>Membership in other Boards of Directors:</b>

Born 1964, PhD  
**Member 2019–**

*N/A*

**Clemens Krause**  
Born 1962, PhD  
**Member 2020–**

**Membership in other Boards of Directors:**  
*Excellence Wealth Management GmbH*

**Lea Liigus**  
Born 1972, Master of Laws  
**Member 2006–**

**Membership in other Boards of Directors:**  
*LL Capital Investments OÜ*  
*LL Rent OÜ*

**Jorma Jokela**  
Born 1979, eMBA  
**Member 2005–**

**Membership in other Boards of Directors:**  
*Jokela Capital Oy (Chairman)*  
*JT Capital Limited*  
*Jokela Capital OÜ*

### **Board Committees**

The Board of Directors of Multitude has established three (3) permanent committees; an audit committee, a remuneration committee and a risk committee. The Board of Directors has confirmed rules of procedure for these committees in accordance with the Finnish Corporate Governance Code 2020. 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 Company'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 Company 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 Company 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 Juhani Vanhala, Clemens Krause and Goutam N. Challagalla.

#### ***Remuneration Committee***

The Board of Directors of Ferratum has appointed a remuneration committee among the Directors. The Board of Directors has confirmed the central duties and operating principles of the committee in a written charter. The remuneration committee reports regularly on its work to the Board.

The task of the remuneration 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 Company 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 committededicated matters for the Board. The members of the committee must be sufficiently qualified to perform the responsibilities of the committee.

The remuneration 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 Company'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 remuneration committee consisted of Frederik Strange, Juhani Vanhala and Goutam N. 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 committededicated 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 Clemens Krause, Frederik Strange and Michael A. Cusumano.

### **Chief Executive Officer and Management Group**

The Issuer's Board of Directors appoints the Chief Executive Officer. The Chief Executive Officer is responsible for the Company's financial performance, for organizing the business operations as well as administration in accordance with applicable legislations and instructions and orders given by the Company's Board of Directors. The Chief Executive Officer provides information to the Board of Directors in respect of, among others, the Company's financial situation and changes in its business environment. At the date of this Prospectus, the CEO of the Company 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:

**Name:****Jorma Jokela**

Born 1979, eMBA

**Founder, Chief Executive**

**Officer 2005–**

**Member of the Management**

**Team 2005–**

**Background:**

*Jokela Capital Oy*, CEO, 1998-2000

*Jokela Capital Oy*, Chairman of the Board 2007-

*Minuntalli Oy*, Chairman of the Board 2012-2020

*Tinozza Oy*, a member of the Board 2011-2021

*JT Capital Limited*, a member of the Board 2015-

*Jokela Capital OÜ*, a member of the Board 2007-

**Bernd Egger**

Born 1971, M.Sc. in Business

Administration,

M.Sc. in Finance + MBA

**Chief Financial Officer 2019–**

**Member of the Management**

**Team 2019–**

*mPAY24 GmbH*, Co-Owner, Managing Director

*Paysafecard Group*, CFO and a member of the Board 2008-2015

*Volksbank International AG* (currently Sberbank Europe AG), a

member of the Executive Board 1999-2004

**Ari Tiukkanen**

Born 1961, B.Sc. in Engineering

**Deputy CEO 2021–**

**Member of the Management**

**Team 2015–**

*Multitude SE*, Chief Technology Officer 2015-2021

*Metsä Wood*, Head of Building & Forestry 2012-2015

*Icare Finland/Revenio Group*, CEO 2008-2012

*Paloheimo Group*, Commercial Director 2006-2008

*Finnforest*, Head of Building Products 1999-2006

*Halton Group*, various management positions 1992-1999

**Lea Liigus**

Born 1972, Master of Laws

**Head of Legal and Compliance**

**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-

*Estonian Business School*, Tallinn, Lecturer (Contract and

Commercial Law) 2001-2003

*Sorainen Law Offices*, Tallinn, Attorney-At-Law 2003-2006

**Shaun Vella**

Born 19184, 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

**Aksels Neilands**

Born 1987, Bachelor -

Management: International

business, Masters - Management:

Marketing

**Chief Marketing Officer 2020–**

**Member of the Management**

**Team 2020–**

*Multitude SE*, various marketing related positions 2012-2020

**Daniel Kliem**

Born 1972, Master's Degree in

International Management

**Chief Risk Officer 2020–**

**Member of the Management**

**Team 2020–**

*MA Data Consulting GmbH*, Director, Lead Digital Innovation Lab  
2019-2020

*Creditsafe Germany*, Managing Director 2016-2018

*Lendico Global Services GmbH*, Chief Risk Officer 2016

*American Express*, Vice President & Country Risk Officer in

Germany and Austria / Sweden, Finland, Netherlands and France  
2005-2016

<p><b>Kristjan Kajakas</b>  Born 1981, B.Sc. in Business Administration  Tribe CEO – Near Prime 2020–  <b>Member of the Management Team 2020–</b></p>	<p><i>Multitude SE</i>, Regional Director for a number of Eastern European countries 2010–  <i>AS SEB Pank</i>, Client Executive 2009-2010  <i>Alpek FL OÜ</i>, Manager 2004-2009</p>
<p><b>Adam Tönning</b>  Born 1991, FBL with IMD, B.Sc. (Econ, not completed)  <b>Head of Financial Planning and Analysis 2016–</b>  <b>Member of the Management Team 2016–</b></p>	<p><i>Multitude SE</i>, various positions, including Finance Manager – West Europe &amp; APAC 2010</p>
<p><b>Julie Chatterjee</b>  Born 1977, M.Sc. in Engineering  <b>Tribe CEO, SweepBank, CCO &amp; Deputy CEO of Ferratum Bank p.l.c.</b>  <b>Member of the Management Team 2020–</b></p>	<p><i>Multitude SE</i>, CCO &amp; Deputy Bank CEO 2020–  <i>OKQ8 Bank</i>, CEO 2014-2020  <i>OKQ8 Bank</i>, various positions (incl. trainee, Business Development, Head Manager Service Organisation 2014, Scandinavian Head of Business Development 2004-2020)</p>
<p><b>Antti Kumpulainen</b>  Born 1980, Bachelor of Agriculture and Forestry in Forest Economics  <b>CEO, Ferratum Bank</b>  <b>Member of the Management Team 2020–</b></p>	<p><i>Multitude SE</i>, Country Manager (Finland) 2016-2018  <i>Elisa Finance</i>, Chief Risk Officer 2014-2016  <i>Ab Compass Card Oy</i>, Credit Manager/Department Manager 2007-2014  <i>Sampo Bank Plc</i>, Service Manager (credit cards and consumer lending) 2003-2007</p>
<p><b>Oscar Barkman</b>  Born 1980, M.Sc. Business  <b>Tribe CEO, CapitalBox 2021-</b>  <b>Member of the Management Team 2021-</b></p>	<p><i>Barkman Capital AB</i>, Self Employed Consultant 2017-  <i>Huawei</i>, Senior Advisor 2020-  <i>Offerta.se</i>, Member of the Board 2020-2021  <i>MyBank ASA</i>, Head of Partner Relations 2017–2020  <i>Zmarta Group</i>, Head of Partner Relations &amp; Market Intelligence 2014–2017  <i>MasterCard</i>, Vice President, Senior Account Manager 2011–2014  <i>Nordea</i>, various marketing related positions 2006-2011</p>
<p><b>Kornel Kabele</b>  Born 1976, Master's Degree in Architecture  <b>Chief Technology Officer 2021-</b>  <b>Member of the Management Team 2021-</b></p>	<p><i>Multitude SE</i>, Software &amp; QA Engineering Chapter Lead 2018–2021  <i>Multitude SE</i>, Head of Java Development 2017–2018  <i>First Data Corporation</i>, various positions 2007–2017  <i>Slovenska Sporitelna</i>, Project Manager 2005–2007</p>

## Conflicts of Interest

Three out of seven members of the Board, i.e. Jorma Jokela, Clemens Krause and Lea Liigus, are dependent on the Company 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, 55.19 percent of the Company's

shares. The remaining Board members, i.e. Goutam N. Challagalla, Michael A. Cusumano, Frederik Strange and Juhani Vanhala, are independent of the Company and of significant shareholders of the Company.

Jorma Jokela, CEO, and Lea Liigus, Head of Legal and Compliance, have service contracts with the Company and are therefore dependent on the Company. Both of them have also served as Directors for more than ten consecutive years. Clemens Krause had an employment relationship with the Company's subsidiary until the end of November 2020 and also had a service contract with the Company until the end of November 2020. Also Clemens Krause is therefore dependent on the Company.

Juhani Vanhala had an employment relationship with the Company until 31 August 2017. Although he has served as a Director for more than ten consecutive years, the Board of Directors has evaluated that he is not considered dependent on the Company anymore.

Further, several members of the management group hold a minority stakes in the Issuer.

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 the Multitude Group for the financial year ended 31 December 2020 incorporated into this Prospectus by reference have been audited by PricewaterhouseCoopers Oy with Jukka Karinen, Authorised Public Accountant, as the auditor with principal responsibility. Save for the Company's audited consolidated financial statements as at and for the financial year ended 31 December 2020, including the unaudited comparative consolidated financial information for the financial year ended 31 December 2019 incorporated by reference into this Prospectus, no part of this Prospectus has been audited.

The Annual General Meeting of Shareholders of the Issuer held on 20 April 2021 elected PricewaterhouseCoopers Oy as the Company's auditor. Jukka Karinen, Authorised Public Accountant, is the Issuer's auditor with principal responsibility. The registered address of PricewaterhouseCoopers Oy is PL 1015, FI-00101 Helsinki, Finland.

## ARRANGEMENTS WITH THE BOOKRUNNER

Pareto Securities AB acted as a Bookrunner of the Offering. Further, the Bookrunner acted as the tender agent in connection with the tender offer for purchase of Ferratum Capital Germany GmbH's existing senior unsecured notes.

The Bookrunner and/or its Representatives may hold shares, options or other securities of the Group and may, as principal or agent, buy or sell such securities. The Bookrunner 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 Capital Notes. It should be noted that the Group may have interests that conflict with other noteholders 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 Offering and the Listing have been passed upon for the Issuer by Roschier Advokatbyrå AB.

## INFORMATION INCORPORATED BY REFERENCE

The Group's unaudited interim report as at and for the six months ended 30 June 2020 and the Group's consolidated financial statements for the financial year ended 31 December 2020 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, <https://www.multitude.com/investors/results-reports-and-publications/2021>.

<b>Document</b>	<b>Information by reference</b>
<a href="#">Half-year report for the six months ended 30 June 2021</a>	Unaudited interim report of Multitude as at and for the six months ended 30 June 2021.
<a href="#">Financial Review, Multitude Group, 2020</a>	Audited financial statements of Multitude for the financial year ended 31 December 2020.
<a href="#">Auditor's Report, Multitude Group, 2020</a>	Auditor's report of Multitude for the financial year ended 31 December 2020.

## 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, (ii) the Terms and Conditions of the Capital Notes and (iii) the Agency Agreement (with certain commercial details redacted) may be inspected at the Company's website at, <https://www.multitude.com/investors>.

The Company publishes annual reports, including audited consolidated financial statements, quarterly interim financial statements for each year and other information as required by the Finnish Securities Markets Act and after the Listing, 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 <https://www.multitude.com/investors>.

**ISSUER**

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FI-00520 Helsinki  
Finland

**BOOKRUNNER**

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Sweden  
Tel.: +46 8 402 50 00

**LEGAL COUNSEL**

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P.O. Box 7358  
SE-103 90 Stockholm  
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Tel.: +46 8 553 190 00