



# Multitude Capital Oyj

## Special Purpose

## Financial Statements

## 30 June 2024

[www.multitude.com](http://www.multitude.com)

# Board of Directors’ report June 2024

## Company structure and business model

Multitude Capital Oyj (hereafter referred to as “Multitude Capital”, or “the Company”) is a wholly owned subsidiary of Multitude p.l.c. The Company was incorporated on 6 June 2024 in Finland. Multitude Capital currently acts solely as a funding vehicle for the Multitude Group, with its core responsibility being the issuance of bonds to provide liquidity for the Group’s operations. The entity does not currently engage in any external business activities apart from these bond issuances.

On 12 June 2024, Multitude Capital successfully launched an EUR 80 million senior unsecured bond with a 4-year maturity. This issuance is part of a larger EUR 150 million bond program, allowing for additional future issuances. The Bond issuance saw strong demand from both existing and new investors and are carrying a floating rate coupon of 3-month EURIBOR plus 6.75 per cent and have been priced at 97.6 per cent of the nominal amount.

Fitch Ratings assigned Multitude p.l.c. a Long-Term Issuer Default Rating (IDR) of ‘B+’ with a Positive Outlook, and the bonds issued by Multitude Capital are expected to receive a similar ‘B+’ rating. The bonds were listed on the Frankfurt Stock Exchange Open Market under ISIN: NO0013259747, enabling the Company to access a broad range of investors with more flexible regulatory requirements.

Multitude p.l.c. serves as the guarantor for the bonds issued by Multitude Capital. This guarantee ensures that bondholders are protected by the financial strength and stability of the Multitude Group.

To enhance liquidity and increase the visibility of the bonds, Multitude Capital is preparing for a secondary listing of the bonds on Nasdaq Stockholm, which is expected to be completed in December 2024. This move will further improve the marketability of the bonds and attract a wider range of institutional and retail investors. The attached special purpose financial statements have been prepared for the purpose of the secondary listing of the bonds in line with the stock exchange requirements.

A portion of the proceeds from the bond issuance was used to redeem the previous EUR 50 million bond issued by Multitude p.l.c. in December 2022. Multitude Capital has financed this early bond redemption through an EUR 80 million loan granted to its parent company, Multitude p.l.c., of which EUR 21.0 million had been disbursed by 30 June 2024. In July 2024, the loan amount was increased to EUR 71.1 million.

The terms and conditions of the loan to Multitude p.l.c. will allow Multitude Capital to generate sufficient liquidity and profitability to pay its liabilities to the bond holders, as well as finance its day-to-day operations.

## Financial highlights

EUR '000	6 - 30 June 2024
Net interest income	(64)
Loss before income tax	(141)
Net cash flows from operating activities	50,062
Net cash flows from financing activities	80
Net debt	20,933
Net debt to equity	(0,002)
Equity ratio	(71,135)
Return on Equity	1,97

## Statement of profit or loss

The statement of profit or loss reflects a negative net interest income of EUR 64.0 thousand, driven by the interest expenses on the bonds outweighing the initial interest income from the loan to the parent company. This temporary imbalance is expected to reverse in the next periods as the full loan amount to the parent company begins generating income.

## Statement of financial position

The Company's total assets as of 30 June 2024 amounted to EUR 71.1 million, consisting mainly of cash and loan to the parent company.

The loan agreement with Multitude p.l.c. is structured with a total loan limit of EUR 80 million, of which EUR 21.0 million had been disbursed by 30 June 2024. The interest rate applied to the loan is based on the three-month EURIBOR, with an additional coupon rate of 9.25% for the year 2024. From 2025 onwards, the coupon rate will decrease to 8.75%. Interest is paid quarterly. The loan is set to be fully repaid on its maturity date, which is 27 June 2028, in the form of a bullet payment.

The total liabilities were EUR 71.1 million, primarily driven by the debt securities issued. This has resulted in a negative equity of EUR 33 thousand. The negative equity is expected to improve following the increase in the loan to the parent company in July 2024.

## Risk factors and risk management

The Company's activities expose it to various financial risks, including credit risk, market risk and liquidity risk. The Company is committed to maintaining a balanced risk-return profile to mitigate any adverse impacts on its financial health and performance.

### 1. Credit risks

The primary credit risk faced by Multitude Capital arises from the loan extended to its parent company, Multitude p.l.c. To manage this risk, the Company relies on credit assessments conducted by Fitch Ratings, which evaluates the financial stability and creditworthiness of the Group. Multitude Capital has established clear loan terms, including interest rates and repayment schedules, and continuously monitors the loan's performance through regular financial updates and periodic reviews.

Multitude Capital manages its credit risk both separately and as part of overall risk strategy of the Group and hence it has to take into account all major economic events impacting the Group's credit exposure.

### 2. Market risks, mainly related to interest rate risk

The Company is subject to interest rate risk, which may affect its net interest income and the value of its financial assets and liabilities. This risk stems from both the issued debt securities and the loan to the parent company. To mitigate this risk, the loan to the parent is tied to the same EURIBOR rate as the bonds, ensuring natural hedge. Additionally, the loan carries an interest rate margin that not only covers operating costs but also generates profit for Multitude Capital.

### 3. Liquidity risk

Managing liquidity is a key priority for the Company, particularly in ensuring it can meet its obligations to bondholders. The loan structure with the parent company is designed to ensure sufficient liquidity for interest and principal payments. Moreover, Multitude p.l.c.'s role as guarantor of the bonds provides an added layer of protection. Should any liquidity challenges arise, the parent company is prepared to assume responsibility for any outstanding obligations.

Multitude Capital Oyj remains well-positioned to meet its obligations and continue its role as a key funding vehicle for the Multitude Group. With the support of its parent company and prudent financial management, the Company anticipates improved liquidity, profitability, and a return to positive equity by year-end.

## Equity shares

The table below shows composition of authorised share capital of Multitude Capital Oyj:

	2024, N '000	2024, EUR '000
ORDINARY SHARES	80	80

The Articles of Association do not contain any special provisions regarding the equity shares.

## Potential dividends

The Board of Directors has not proposed any dividend distribution.

## Significant events after the reporting period

### Increase in loan to parent company

In July 2024, the Company increased the loan to Multitude p.l.c. by EUR 50.1 million, bringing the total loan amount to EUR 71.1 million. The increase in the loan, along with the related interest income, is expected to significantly improve the Company's liquidity and profitability. This, in turn, will contribute to restoring the Company's equity to a positive balance by the end of the year.

## Probable future developments of the company

### Secondary listing on Nasdaq Stockholm

The Company is currently preparing for a secondary listing of its bond on Nasdaq Stockholm. This listing is expected to enhance the liquidity and visibility of the bond in the market. The attached special purposes financial statements have been prepared in connection with the requirements for the secondary listing, which is anticipated to take place in December 2024.

## Company management and auditor

Bernd Egger serves as sole member of the Board of Directors. Upon incorporating the company, the shareholder has appointed PricewaterhouseCoopers Oy as the auditor, with APA Jukka Paunonen as the auditor with principal responsibility.

Multitude Capital Oyj

Special purpose financial statements as of 30 June 2024 (audited)

Statement of profit and loss and total comprehensive loss

EUR '000	Notes	For the period 6 - 30 June 2024
Interest income	6	22
Interest expense	6	(86)
<b>Net interest income</b>		<b>(64)</b>
Operating expenses:		
Impairment loss on loan to parent	4.2	(77)
<b>Loss before income tax</b>		<b>(141)</b>
Income tax gain	7	28
<b>Loss for the period and total comprehensive loss</b>		<b>(113)</b>

Statement of financial position

EUR '000	Notes	As of 30 June 2024
ASSETS		
Cash and cash equivalents	8	50,142
Loans to parent company	8	20,932
Deferred tax asset	7	28
Total assets		71,102
EQUITY AND LIABILITIES		
LIABILITIES		
Accruals		169
Debt securities	9	70,966
Total liabilities		71,135
EQUITY		
Share capital	11	80
Retained earnings	11	(113)
Total equity		(33)
Total equity and liabilities		71,102

Statement of cash flows

EUR '000	Notes	For the period 6 - 30 June 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Proceeds from debt securities	9	72,384
Issuing costs paid	9	(1,335)
Payment of loan to parent company	8	(20,987)
Net cash flows from operating activities		50,062
CASH FLOWS FROM FINANCING ACTIVITIES		
Proceed from the issuance of share capital	11	80
Net cash flows from financing activities		80
Cash and cash equivalents, as of 6 June		-
Net increase in cash and cash equivalents		50,142
Cash and cash equivalents, as of 30 June	8	50,142

Statement of changes in equity

EUR '000	Share capital	Retained earnings	Total equity
As of 6 June 2024			
Transactions with owners:			
Issue of share capital	80	-	80
<b>Total transactions with owners</b>	<b>80</b>	<b>-</b>	<b>80</b>
Comprehensive loss			
Loss for the period		(113)	(113)
<b>Total comprehensive loss</b>		<b>(113)</b>	<b>(113)</b>
<b>As of 30 June 2024</b>	<b>80</b>	<b>(113)</b>	<b>(33)</b>



# 1. General information

Multitude Capital Oyj (Multitude Capital or the “Company”) is a company functioning under the laws of Finland with business identity code: 3454519-9. The Company has been established on 6 June 2024 and is headquartered at Ratamestarinkatu 11 A, FI-00520 Helsinki. Multitude Capital has listed bonds on the Frankfurt Stock Exchange under ISIN: NO0013259747.

Multitude Capital is a wholly owned subsidiary of Multitude p.l.c. (formerly Multitude SE) and functions as a dedicated funding vehicle for the Multitude Group (the “Group”). Multitude p.l.c. (business identity code C 109441) is the ultimate parent of the Multitude Group. Multitude p.l.c. was established in 2005 and until 30 June 2024 was headquartered at Ratamestarinkatu 11 A, FI-00520 Helsinki. On 30 June 2024, Multitude p.l.c. relocated to Malta, and is domiciled at ST Business Centre 120, The Strand, Gzira, GZR 1027. Subsequent to the relocation to Malta, the legal form of the parent company was changed from SE to p.l.c.

## Significant transactions affecting the financial position and performance

On 13 June 2024, Multitude announced the successful placement of an EUR 80 million senior unsecured bonds maturing in June 2028 (the “Bonds”). Multitude p.l.c. is acting as guarantor of the new Bonds.

The net proceeds from the Bonds have been used towards refinancing Multitude p.l.c.’s outstanding senior bonds maturing in December 2025 (ISIN: NO0012702549), for which a call option has been exercised simultaneously, and general corporate purposes of the Group. For detailed information on the bonds, please see Note 9.

On 27 June 2024, Multitude Capital Oyj has entered into a loan agreement with Multitude p.l.c., its parent company, by which Multitude Capital has granted Multitude p.l.c. a loan of up to EUR 80 million. The amount disbursed as of 30 June has been of EUR 21,009 thousand. For more information on the loan agreement with Multitude p.l.c., please see Note 12.

# 2. Basis of preparation and accounting policies

## 2.1. Basis of preparation

### 2.1.1. Purpose of the financial statements

These special purpose financial statements have been prepared for and will form part of the prospectus and documentation for the purpose of admission to listing of the Bond on the corporate bond list of Nasdaq Stockholm Aktiebolag, reg. 556420-8394 (“Nasdaq Stockholm”).

### 2.1.2. Statement of compliance

The special purpose financial statements of the Company have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the European Union. IFRS Accounting Standards comprise the following authoritative literature: IFRS Accounting Standards, IAS® Standards, Interpretations developed by the IFRS Interpretations Committee (IFRIC® Interpretations) or its predecessor body, the Standing Interpretations Committee (SIC® Interpretations).

### 2.1.3. Historical cost convention

The special purpose financial statements have been prepared on a historical cost basis.

2.1.4. Functional and presentation currency

The items included in the special purpose financial statements of the Company are measured using the currency of the primary economic environment in which the Company operates (the “functional currency”). The functional currency of Multitude Capital Oyj is Euro.

The special purpose financial statements are presented in thousands of Euros (“EUR 000”).

2.1.5. Going concern

The Company has prepared its financial statements on the assumption that it will continue to operate as a going concern. As of 30 June 2024, the Company is presenting a negative result and negative equity. However, Management has assessed the Company’s ability to continue as a going concern and considers that, despite the current financial position, the Company will generate sufficient future income and maintain adequate liquidity.

This assessment is primarily based on the increase in the loan to the parent company in July 2024, which is expected to generate sufficient interest income to result in positive net results, operating cash flows, and equity in future periods. Additionally, the support provided by the parent company ensures that the Company can meet its obligations as they fall due. For more details, refer to Notes 6, 11, and 13.

2.2. Presentation of financial statements

The Company presents its statement of financial position in order of liquidity based on its intention and perceived ability to recover/settle the majority of assets/liabilities of the corresponding financial statement line item. An analysis regarding recovery or settlement within 12 months after the reporting date (current) and more than 12 months after the reporting date (non-current) is presented in Note 10.

2.3. New standards and amendments

The company has applied all standards, interpretations and amendments that are effective at the date of the preparation of this special purpose financial statements. The following forthcoming requirement will become effective after the date of these special purpose financial statements:

Title	Key requirements	Effective Date
Amendments to IAS 21 - Lack of Exchangeabilit	This requirement is not relevant as the Company does not operate with foreign currencies that lack exchangeability.	January 2025 (early adoption is available)

Title	Key requirements	Effective Date
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	<p>1. Derecognition of Financial Liabilities (IFRS 9)</p> <p>Electronic Transfers: allows entities to derecognise a financial liability settled through electronic payment systems before the settlement date, if certain criteria are met. The option must be applied consistently to all such transactions.</p> <p>2. Classification of Financial Assets (IFRS 9)</p> <p>Basic Lending Arrangement: provides guidance on assessing whether contractual cash flows align with a basic lending arrangement, with added examples for clarity.</p> <p>Non-Recourse Features: clarifies that a financial asset has non-recourse features if cash flows are limited to those generated by specific assets.</p> <p>Contractually Linked Instruments: clarifies whether that the key element that distinguishes CLIs from other financial assets with non-recourse features is the waterfall payment structure that results in a disproportionate allocation of cash shortfalls between the tranches.</p> <p>3. Disclosure Requirements (IFRS 7)</p> <p>Equity Investments at Fair Value: changes some of the disclosure requirements of such instruments.</p> <p>Contingent Contractual Terms: mandates the disclosure of contractual terms that could alter cash flows based on contingent events, covering financial assets and liabilities at amortised cost or fair value.</p> <p>None of the above amendments are expected to have a significant impact on the Company's financial statements.</p>	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	<p>IFRS 18 introduces mandatory subtotals, such as "operating profit," to improve clarity in financial performance reporting. It requires classification of income and expenses into specific categories like operating, investing, and financing. Management-defined performance measures (MPMs) must be clearly labelled, reconciled with IFRS measures, and explained for their usefulness. Comparative information for all reported amounts must be provided, with explanations for any changes. The standard emphasises proper aggregation and disaggregation to ensure meaningful and clear financial statements. Finally, IFRS 18 will replace IAS 1 while retaining its key principles.</p> <p>Apart from a change in presentation and disclosures, this standard is not expected to have a significant impact in the financial position, profit and loss or cash flows of the Company.</p>	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	This standard is not relevant, as, after the listing of the bonds on Nasdaq Stockholm, the Company will have public accountability.	1 January 2027

## 2.4 Summary of material accounting policies

### 2.4.1 Recognition of interest income/expense and effective interest rate

The Company recognises interest income and interest expense by applying an effective interest method (EIR). The EIR is the rate that exactly discounts projected future cash flows through the expected life of the financial instrument to:

- the gross carrying amount of the financial asset; or
- the amortised cost of the financial liability.

When calculating the EIR for financial instruments, the Company estimates future cash flows considering all the contractual terms of the financial instrument, but not expected credit losses.

The EIR, and consequently the amortised cost of the financial asset, is determined by considering transaction costs, any discount or premium on the acquisition of the financial asset, as well as fees and costs integral to the EIR. The EIR calculation accommodates the potential impact of other characteristics of the product life cycle including early repayments, extension, call, and similar options, as well as penalty charges.

If revisions to the expected cash flows of fixed rate financial assets or liabilities occur for reasons other than credit risk, the changes to future contractual cash flows are discounted at the original EIR, resulting in an adjustment to the carrying amount. The difference with the previous carrying amount is recorded as a positive or negative adjustment to the financial asset or liability's carrying amount in the statement of financial position, with a corresponding increase or decrease in interest income/expense calculated using the effective interest method.

In the case of floating rate financial instruments, periodic re-estimation of cash flows to reflect market interest rate movements also impacts the effective interest rate. However, when instruments were initially recognised at an amount equal to the principal, re-estimating future interest payments does not significantly affect the carrying amount of the asset or liability.

### 2.4.2 Income tax expense

#### 2.4.2.1 Recognition of income taxes

The income taxes comprise current tax and deferred tax. Income tax gain or expense is recognised in the statement of profit or loss, except to the extent that it relates to items recognised in other comprehensive income, or directly in equity.

#### 2.4.2.2 Current taxes

Current taxes are based on the results of Company and are calculated using local tax regulations and tax rates enacted or substantively enacted at each reporting date. The only source of the income is in and regulated by the Finnish tax regime.

#### 2.4.2.3 Deferred taxes

Deferred tax assets and liabilities are determined using the balance sheet method for all temporary differences between the tax bases of assets and liabilities and their carrying amounts in the financial statements.

Recognition of deferred tax assets is contingent upon the availability of future taxable profit against which unused tax losses, tax credits, and deductible temporary differences can be utilised in the relevant jurisdictions. The realisability of deferred tax assets is assessed at each reporting date, and adjustments are made if circumstances indicate that these assets are no longer probable to be utilised.

The enacted or substantively enacted tax rates as of each reporting date, expected to apply when the asset is realised or the liability is settled, are employed in measuring deferred tax assets and liabilities.

Deferred tax assets and liabilities are not subject to discounting. The Company regularly assesses positions taken in tax returns concerning situations where applicable tax regulations are subject to interpretation. Adjustments to the recorded amounts of current and deferred tax assets and liabilities are made when it is considered probable, i.e., more likely than not, that certain tax positions may not be fully sustained upon review by tax authorities. The recorded amounts are based on the most likely amount or the expected value, depending on the method that the Company expects to predict the uncertainty's resolution better.

Deferred tax related to assets and liabilities arising from a single transaction that, on initial recognition, give rise to equal amounts of taxable and deductible temporary differences, will require the recognition of deferred tax assets and liabilities in equal amounts. Deferred tax assets and deferred tax liabilities are offset for presentation purposes if, and only if:

- a) when there is a legally enforceable right to set off current tax assets against current tax liabilities;
- b) the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities, which intend either to settle current tax liabilities and assets on a net basis, or to realise the assets and settle the liabilities simultaneously in each future period where significant amounts of deferred tax liabilities or deferred tax assets are expected to be settled or recovered.

### 2.4.3 Cash and cash equivalents

Cash and cash equivalents include cash at banks and on hand.

### 2.4.4 Financial assets

#### 2.4.4.1 Initial recognition and measurement of financial assets

The Company recognises a financial asset in its statement of financial position when it becomes a party to the contractual provisions of the instrument. Regular purchases and sales of financial assets are recognised on the settlement date, which is the date on which the Company purchases or sells the asset.

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs that are incremental and directly attributable to the acquisition or issue of the financial asset, such as fees and commissions.

When the fair value of financial assets differs from the transaction price on initial recognition, the Company recognises the difference as follows:

- when the fair value is evidenced by a quoted price in an active market for an identical asset (i.e. a Level 1 input) or based on a valuation technique that uses only data from observable markets, the difference is recognised as a gain or loss.
- in all other cases, the difference is deferred, and the timing of recognition of deferred day one profit or loss is determined individually. It is either amortised over the life of the instrument, deferred until the instrument's fair value can be determined using market observable inputs, or realised through settlement.

#### 2.4.4.2 Classification and subsequent measurement of financial assets

As result of the assessment the Company has classified the loan to parent company as a financial asset measured at amortised cost.

Subsequent to the initial recognition, the carrying amount is reduced for principal payments, plus or minus the cumulative amortisation using the effective interest method. After initial measurement, the Company

determines loss allowances related to financial assets, using the expected credit loss ("ECL") model. The Company's ECL model, inputs, and assumptions are disclosed in Note 4.

#### 2.4.4.3 Derecognition of financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and it does not retain control of the financial asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognised) and the sum of the consideration received (including any new asset obtained less any new liability assumed) is recognised in the statement of profit or loss. If an existing financial asset is replaced by another asset from the same counterparty on substantially different terms, or if the terms of the financial asset are substantially modified (due to forbearance measures or otherwise), the existing financial asset is derecognised and a new asset is recognised. Any difference between the respective carrying amounts is recognised in the statement of profit or loss.

#### 2.4.5 Financial liabilities

##### 2.4.5.1 Initial recognition and measurement of financial liabilities

The Company recognises a financial liability on its statement of financial position when it becomes a party to the contractual provisions of the instrument. The Company generally recognises financial liabilities on initial measurement at their fair value including transaction costs, and subsequently measures them at amortised cost using the effective interest method, with resulting interest expense recognised as an interest expense in the statement of profit or loss.

At initial recognition, the Company has assessed the classification of the Bond and has concluded that it should be classified as debt instrument.

##### 2.4.5.2 Classification and subsequent measurement of financial liabilities

The Company classifies all its financial liabilities as being subsequently measured at amortised cost. Financial liabilities include debt securities.

##### 2.4.5.3 Derecognition of financial liabilities

The Company derecognises a financial liability, or portion of a financial liability, when its contractual obligations that comprise the financial liability are discharged, cancelled or expired.

An exchange between the Company and the lender of debt instruments with substantially different terms is the extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability, or a part of an existing financial liability, is accounted for as an extinguishment of the original financial liability and the recognition of a new one. The terms of a financial liability are considered substantially different if the discounted present value of the cash flows under the new terms is at least 10% different from the discounted present value of the remaining cash flows of the original financial liability.

The Company recognises the difference between the carrying amount of a financial liability or part of a financial liability, extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred, or liabilities assumed, as gain or loss in the statement of profit or loss.

When the Company repurchases a part of a financial liability, it allocates the previous carrying amount of the



financial liability between the part that continues to be recognised and the part that is derecognised based on the relative fair values of those parts on the date of the repurchase. Similarly, the Company recognises the difference between the carrying amount allocated to the part derecognised and the consideration paid, including any non-cash assets transferred, or liabilities assumed, for the part derecognised in the statement of profit or loss.

### 2.4.6 Equity

Ordinary shares are classified as equity. Share capital is recognised when the Company issues the shares. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction, net of tax, from the proceeds.

### 2.4.7 Offsetting financial instruments

Financial assets and financial liabilities are generally reported gross in the statement of financial position, except when certain criteria are met. Financial assets and financial liabilities are offset, and the net amount is reported in the statement of financial position, when and only when, the company:

- a) has a present legally enforceable right to set off the recognised amounts; and
- b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

### 2.4.8 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest, by using quoted market rates, discounted cash flow analyses and other appropriate valuation models. The Company uses valuation techniques that are appropriate, depending on circumstances and for which sufficient data is available to measure fair value, while maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All financial instruments for which fair values are being measured or disclosed in the financial statements are categorised within the nature, characteristics and risks of the asset or liability, and the level of the fair value hierarchy, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices for exchange-traded products in active markets for identical assets or liabilities;
- Level 2 - Valuation techniques for which significant inputs other than quoted prices are directly or indirectly observable; and
- Level 3 - Valuation techniques for which significant inputs are unobservable.

Although none of the financial assets and liabilities have been classified as subsequently measured at fair value, the Company measures the financial assets and liabilities at fair value at their initial recognition. The Company also discloses the fair value of financial assets and liabilities as required by IFRS 7 (Notes 8 and 9).

### 2.4.9 Events after the reporting period

The Company monitors subsequent events or transactions occurring after the end of the reporting period and before the special purposes financial statements are authorised for issue. For each event, the Company assesses:

1. Whether it provides evidence of conditions that existed at the end of the reporting period (adjusting event);
2. Whether it indicates conditions that arose after the reporting period (non-adjusting event).

Based on this assessment, the Company either adjusts the special purpose financial statements for significant adjusting events or provides appropriate disclosure for significant non-adjusting events.

Any significant subsequent events occurring after 30 June 2024 and before 27 November 2024, when the Company's Board of Directors authorises the special purposes financial statements, are reported in the financial statements (Note 13).

### 3. Significant accounting judgements, estimates and assumptions

The preparation of financial statements requires the use of management judgement in electing and applying accounting policies, as well as making estimates and assumptions about the future. These judgements, estimates and assumptions may significantly affect the amounts recognised in the financial statements.

The estimates and assumptions used in determining the carrying amounts of assets and liabilities are based on historical experience, expected outcomes and various other factors that were available when these special purpose financial statements were prepared, and they are believed to be reasonable under the circumstances. The estimates and assumptions are reviewed continually and revised if circumstances change or due to new information or more experience. As estimates and assumptions inherently contain varying uncertainty, actual outcomes may differ resulting in adjustments to the carrying amounts of assets and liabilities in the subsequent periods.

Management considers that the only significant accounting estimate is related to the ECL model, input and assumptions.

The measurement of the expected credit loss allowance for financial assets measured at amortised cost is an area that requires the use of complex models and significant assumptions about future economic conditions and credit behaviour. An explanation of the inputs, assumptions and estimation techniques used in measuring ECL is given in the Note 4.2 below.

## 4. Financial risk management

### 4.1 Financial risk factors

The Company's activities expose it to various financial risks, including credit risk, market risk and liquidity risk. The Company's aim is to achieve an appropriate balance between risk and return and minimise potential adverse effects on its financial performance.

The Company follows the Multitude Group risk policies. The credit, market and liquidity risks are analysed and considered both separately and jointly with those of Multitude p.l.c. as parent company and Multitude Group as a whole.

The Company's risk management policies are designed to identify and analyse risks, set appropriate risk limits and controls, and monitor the risks and adherence to limits by means of reliable and up-to-date information systems. The Board of Directors is responsible for the overall effectiveness of the Risk Management function, which duties are however carried out by the members of the Group's Leadership Team and other qualified personnel chosen by the Leadership Team.

The Board may delegate any of its powers to a committee. It establishes committees to focus on specific risk



areas and issues and consider certain issues and functions in greater detail. These committees may only act in accordance with the powers and responsibilities delegated to them by the Board. In this regard, the extent to which the committee is empowered to make decisions is carefully defined. The members of a committee must be sufficiently qualified to perform the responsibilities of such committee.

The Multitude Group governance structure comprises three Board Committees, namely the Audit Committee, the Risk Committee, the People and Culture Committee.

The Board of Directors has delegated to the Risk Committee its oversight responsibilities of the Risk Management function. The main duties of the Risk Committee include:

- to oversee the policy and framework for all risks to which the Group and the Company may be exposed;
- to develop and monitor a risk management system across all business units, including a risk appetite framework, and to ensure the effective implementation of all risk policies;
- to ensure that all risk controls operating are in accordance with regulatory requirements and best practice, and for advising on the coordination and prioritisation of risk management issues.

The task of the People and Culture Committee is to ensure the proper functioning of corporate governance, in particular, to ensure the efficient preparation of matters pertaining to the remuneration of the members of the Board, the CEO and other executives as well as the remuneration schemes of the personnel.

The Risk Management function has the overall responsibility for the development of the risk strategy and the implementation of risk principles, framework, policies and related limits.

A Three Lines of Defence risk management and internal control structure has been established in order to ensure that strategic objectives are being met while meeting regulatory and legal requirements and fulfilling the responsibilities to shareholders, clients and staff.

## 4.2 Credit risk

### 4.2.1 Introduction

The Company is exposed to credit risk stemming from the loan issued to its parent company.

### 4.2.2 Credit risk management

Multitude Capital manages its credit risk both separately and as part of overall risk strategy of the Group and hence it has to take into account all major economic events impacting the Group's credit exposure.

#### *Loan to parent company*

To manage the credit risk of a loan to the parent company, Multitude Capital employs credit assessment made by Fitch rating which is evaluating financial health, credit rating, and historical performance of the Group. Multitude Capital has set clear terms and conditions, including interest rates and repayment schedules of intercompany loan, and implements continuous monitoring through regular financial reporting and periodic reviews.

#### *Cash and cash equivalents*

The Company's cash is held with other corporate banks.

## 4.2.3 Credit risk measurement

### *Loan to parent company*

Multitude Capital's credit risk arises solely from its unsecured loan to the parent company. At inception, the loan's credit quality is thoroughly assessed, and continuous monitoring is performed, with a focus on the parent company's financial health and covenant compliance. In addition to internal evaluations, Multitude Capital relies on external agencies for independent risk ratings to supplement its assessment. Regular reviews of potential expected credit losses (ECL) are conducted based on both internal financial data and external ratings. Oversight of this process is managed by the Risk Committees to ensure effective risk management despite the absence of collateral.

### *Cash and cash equivalents*

Cash and cash equivalents include balances with other corporate banks. Multitude Capital uses the external risk grades to reflect its assessment of the probability of default of such individual counterparties. These published grades are continuously monitored and updated. The PDs associated with each grade are determined based on realised default rates over the prior 12 months, as published by rating agencies. In determining the probability of default of individual counterparties, the Company distinguishes between exposures considered 'investment-grade' defined by recognised external rating agencies as a rating between AAA-BBB- (Standard & Poor's, Fitch) and Aaa-Baa3 (Moody's), and 'non-investment grade' exposures.

## 4.2.4 Expected credit loss measurement

IFRS 9 outlines a 'three-stage' model for impairment based on changes in credit quality since initial recognition as summarised below:

1. A financial instrument that is not credit-impaired on initial recognition is classified in 'Stage 1' and has its credit risk continuously monitored.
2. If a significant increase in credit risk ('SICR') since initial recognition is identified, the financial instrument is moved to 'Stage 2' but is not yet deemed to be credit impaired.
3. If the financial instrument is credit-impaired, the financial instrument is then moved to 'Stage 3'.

Financial instruments in 'Stage 1' have their ECL measured at an amount equal to the portion of lifetime expected credit losses that result from default events possible within the next 12 months. Instruments in 'Stages 2 or 3' have their ECL measured based on expected credit losses on a lifetime basis.

### 4.2.4.1 Significant increase in credit risk

To determine whether the credit risk on a financial instrument has increased significantly since initial recognition, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort, including both quantitative and qualitative information. Such analysis is based on the Company's historical experience and credit assessment made by Fitch.

### *Loan to parent company*

In relation to the loan to parent company, a significant increase in credit risk is deemed to arise, if Multitude p.l.c.'s credit rating experiences specific downgrades from the initial rating determined at inception of the loan. The Risk Management function evaluates and assesses risk development based on the latest rating made by Fitch. No significant increase in credit risk has occurred with regards to the parent company.

### *Cash and cash equivalents*

In relation to cash and cash equivalents, the Company applies low credit risk simplification and does not measure SICR unless there is a significant decrease in independent credit ratings given to its corporate banking partner. No such decrease in credit ratings of the corporate banking partner has been identified.

4.2.4.2 Measuring ECL - Explanation of inputs, assumptions and estimation techniques

The Company calculates expected credit losses (ECL) as a function of the estimated exposure of default (EAD), probability of default (PD), loss given default (LGD), and discounting using the effective interest rate (EIR). The ECL is measured on either a 12-month or on a lifetime basis depending on whether a significant increase in credit risk has occurred since initial recognition or whether an asset is considered to be credit-impaired.

The Company uses external risk grades to reflect its assessment of the probability of default its parent company. These published grades are continuously monitored and updated. The PDs associated with each grade are determined based on realised default rates over the prior 12 months, as published by rating agencies. In determining the probability of default of individual counterparties, the Company distinguishes between exposures considered ‘investment-grade’ defined by recognised external rating agencies as a rating between AAA-BBB- (Standard & Poor’s, Fitch) and Aaa-Baa3 (Moody’s), and ‘non-investment grade’ exposures.

Loan to parent company

In order for its ECL methodology to represent an appropriate estimation of its credit risk emanating from combined exposure of the Group, the Company assesses the ECL on the average statistical data selected by Fitch for the lending industry in which Multitude Group is categorised.

The loan to parent company is subject to bullet repayments upon maturity with only interest payments being paid separately throughout the useful life of the loan. Thus, assuming no interest payments are in arrears, the EAD equates to the loan amount itself. The LGD is derived based on the maximum recoverability rating assumed by Fitch.

IFRS 9 provides a practical expedient for recognising 12-month ECL for financial instruments with low credit risk at the reporting date. The Company applies this practical expedient in determining loss allowance for its loan to the parent company, as it considers Multitude Group to be low credit risk. A financial asset is considered as being low credit risk, if it has been issued to a counterparty that is considered “investment grade” based on the definition of external rating agencies – between AAA to BBB- (Standard & Poor’s, Fitch) or Aaa-Baa3 (Moody’s). On 15 February 2024, Fitch Ratings revised Multitude p.l.c.’s outlooks to positive from stable, while affirming its Long-Term Issuer Default Ratings (IDRs) at ‘B+’.

As of 30 June 2024, the Company made the following assumptions about ECL for the loan to Multitude p.l.c.:

Parameter	30 June 2024
PD	0.73%
LGD	50%
ECL	0.365%

The PD rate in the table above is assumed to be average PD rate calculated as average cumulative default rate for 1 year reported by Fitch for credit rating of Multitude p.l.c. Since Multitude p.l.c. is rated with B+ we assume average PD rate of 0.73% calculated as (0.94+0.52)/2 (where BB rating is 0.52% and B rating is 0.94%). LGD is calculated as the maximum recovery rating assumed by Fitch for the credit rating of Multitude p.l.c. which is RR4. LGD for RR4 is 50%-69%. The lower bound is assume because of the positive outlook of B+ rating. ECL rate is multiplication of LGD and PD rates.

Sensitivity analysis

To assess the potential impact of changes in credit risk parameters on the Expected Credit Loss (ECL) of the loan to the parent company, the Company conducted a sensitivity analysis based on adjustments to the Probability of Default (PD) and Loss Given Default (LGD). The table below illustrates how the ECL would vary under optimistic and pessimistic scenarios:

Scenario	Expected credit loss	Effect in the statement of profit and loss
Base	0,365%	77
Optimistic (PD: 0.52, LGD 69%)	0.359%	75
Pessimistic (PD: 0.94, LGD: 50%)	0.470%	99

### Cash and cash equivalents

Credit risk exposure from cash and cash equivalents arises mainly from potential liquidity issues, coupled with liability caps applicable in various jurisdictions of banks which hold the Company's cash and cash equivalents. The table below shows the amount of cash and cash equivalents deposited in bank accounts, grouped based on Fitch's credit ratings as of 30 June 2024:

EUR '000	30 June 2024
A+	50,142
<b>Total</b>	<b>50,142</b>

As of 30 June 2024, none of the cash and cash equivalents were past due or impaired.

## 4.3 Market risk

The Company is exposed to interest rate risk, which could impact on its net interest income and the value of assets and liabilities. The items exposing the Company to interest rate risk are the debt securities and the loan to the parent company. To minimise the market risk, the loan to the parent company is based on the same EURIBOR rate as its debt securities. The interest rate for the loan to the parent company also contains a markup that allows it to cover its running costs and produce a profit.

## 4.4 Liquidity risk

Liquidity risk is the risk that the Company may not have sufficient liquid financial resources to meet its financial liabilities when they fall due. It arises from potential mismatches in the timing of cash flows, both under normal and stress conditions.

The objective of liquidity risk management is to ensure that sufficient liquidity is always available to meet obligations and avoid financial distress. A primary focus of the Company's liquidity risk management is to fulfil its obligations to bondholders.

To address liquidity risk and ensure obligations to bondholders are met, the Company has implemented the following measures:

1. The loan agreement with the parent company is structured to provide Multitude Capital with sufficient liquidity for interest and principal payments to bondholders.
2. Multitude p.l.c. acts as the guarantor of the bonds. If Multitude Capital experiences liquidity shortages, the parent company can assume responsibility for the outstanding payments.

The tables below present an analysis of the Company's financial assets and liabilities, categorised by their expected recovery or settlement periods:

**Maturity analysis of undiscounted financial assets as of 30 June 2024:**

EUR '000	On demand	Within three months	Between three months and one year	Between 1-2 years	Between 2-5 years	Over 5 years	Total	Carrying amount
Cash and cash equivalents	50,142	-	-	-	-	-	50,142	50,142
Loans to parent	-	-	-	-	-	-	-	-
Principal	-	-	-	-	21,009	-	21,009	20,932
Interest	-	684	1,979	2,610	5,227	-	10,500	-
<b>Total assets</b>	<b>50,142</b>	<b>684</b>	<b>1,979</b>	<b>2,610</b>	<b>26,236</b>	<b>-</b>	<b>81,651</b>	<b>71,074</b>

**Maturity analysis of undiscounted financial liabilities as of 30 June 2024:**

EUR '000	On demand	Within three months	Between three months and one year	Between 1-2 years	Between 2-5 years	Over 5 years	Total	Carrying amount
Debt securities:								
Principal					72,381		72,381	70,966
Interests	-	1,959	6,338	7,545	15,546	-	31,388	-
<b>Total</b>	<b>-</b>	<b>1,959</b>	<b>6,338</b>	<b>7,545</b>	<b>87,927</b>	<b>-</b>	<b>103,769</b>	<b>70,966</b>

As disclosed in Note 13, the loan to Multitude p.l.c. was increased to EUR 71.1 million in July 2024. This loan increase, along with the related interest income, is expected to provide Multitude Capital with the necessary liquidity to meet its obligations to bondholders as they fall due.

The table below provides an analysis of the expected cash flows resulting from the increase in the loan to the parent company, including both principal repayments and related interest income.

**Maturity analysis of financial assets considering the increase in loan to parent company:**

EUR '000	On demand	Within three months	Between three months and one year	Between 1-2 years	Between 2-5 years	Over 5 years	Total
Loans to parent							
Principal	-	-	-	-	71,077	-	71,077
Interest	-	2,266	6,709	8,846	17,717	-	35,538
<b>Total assets</b>	<b>-</b>	<b>2,266</b>	<b>6,709</b>	<b>8,846</b>	<b>88,794</b>	<b>-</b>	<b>106,615</b>

Based on the projected cashflows, the Company is not expected to face any liquidity shortfall at any point in time.

## 4.5. Capital management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern, maintain optimal capital structure to reduce the cost of capital, and ensure it meets the requirements of the bondholders.

The bond issued by Multitude Capital Oyj is guaranteed by Multitude p.l.c., meaning the parent company guarantees the punctual payment of principal and interest under the terms and conditions of the bond. This guarantee helps assure bondholders of the creditworthiness of the Multitude Group.

As the guarantor of the Bond, Multitude p.l.c. is required to ensure that its Net Equity Ratio is maintained at a minimum of 18% at all times. This covenant helps ensure the financial strength and capacity of the guarantor to support Multitude Capital Oyj in fulfilling its obligations. As of June 2024, the consolidated Net equity Ratio amounted to 24%.

Additionally, Multitude p.l.c. must meet a Distribution Test, where the Net Equity Ratio must exceed 25% in order to make any restricted distributions. This ensures that Multitude p.l.c. retains sufficient equity before making any distributions to shareholders.

These capital requirements are designed to ensure that Multitude p.l.c. maintains a robust financial position, providing security to the bondholders in terms of repayment and interest obligations. Compliance with these covenants is monitored and regularly tested in line with the terms set out in the bond agreement.

Multitude Capital Oyj has no direct maintenance covenants in terms of a Net Equity Ratio. However, its ability to raise additional bonds or distribute funds is contingent upon the financial performance and capital adequacy of its parent, Multitude p.l.c..

## 5. Segment information

The Company's business activities comprise a single operating segment, which is providing funding to the parent company and the Multitude Group through the issuance of bonds and lending the proceeds to the parent company. The Company has determined, in accordance with IFRS 8, that it operates in one reportable segment and, therefore, no further segmental analysis is required. This conclusion is based on the fact that the Company:

1. Engages in one line of business activity—funding the parent company by issuing bonds and lending funds.
2. Operates under one main income stream, derived from interest income on loans provided to the parent company.
3. Has a consistent geographical presence, operating solely from its registered office, and no distinct geographical or business segments exist.

### Basis for Segmentation

In identifying the reportable segment, management considered the internal financial information used for decision-making purposes by the Company's chief operating decision maker (CODM), who monitors the company's financial performance, reviews its activities, and assesses the financial position on a company-wide basis. The CODM is the Company's Board of Directors.

The Company's performance is assessed based on financial information related solely to its funding activities, including the issuance of bonds and loans to its parent company. Given that the Company does not operate multiple businesses, divisions, or geographical areas, a single segment has been identified.

Financial Information of the Reportable Segment

Revenue (interest income)

This table presents the income earned by the Company from its lending activities (in this case, the loan to the parent company):

EUR '000	For the period 6-30 June 2024
Funding - Interest income on loan to parent company	22

Segment Profit or Loss

This table shows the financial performance of the segment:

EUR '000	For the period 6-30 June 2024
Interest income from loan to parent company	22
Interest expense on debt securities	(86)
Other expenses	(77)
Segment loss before tax	(141)

Assets and Liabilities

This table shows the assets and liabilities assigned to the segment:

EUR '000	As of 30 June 2024
Total segment assets	71,102
Total segment liabilities	71,135

Geographical Information

The company operates in Europe, where all operations, assets and interest income are concentrated.

EUR '000	Interest income for the period 6-30 June 2024	Assets as of 30 June 2024
Finland	22	71,102

Major Customers

Multitude p.l.c. is the only customer of the Company:

EUR '000	Interest income for the period 6 - 30 June 2024
Multitude p.l.c.	22



6. Interest income and expense

EUR '000	For the period 6-30 June 2024
Interest income on loan to parent company	22
Interest expense on debt securities	(86)
Net interest income	(64)

The negative net interest income is a temporary outcome resulting from the timing difference between the issuance of the bond and the disbursement of the full proceeds to Multitude p.l.c.. However, considering the subsequent increase in the loan (as disclosed in Note 13), the Company is expected to generate sufficient interest income and improve its profitability going forward. This timing alignment will allow the Company to fully leverage the increased loan balance to offset the negative interest income in future periods.

7. Income tax

Income tax expense/gain

EUR '000	For the period 6-30 June 2024
CURRENT TAX:	
Current tax on loss for the period	-
Total current tax	-
DEFERRED TAX:	
Non-deductible expenses	15
Carry forward tax losses	13
Total deferred tax	28
Total income tax gain	28

The table below provides a reconciliation of the nominal income tax rate to the effective income tax rate for the period. As the Company incurred a loss for the period, the tax gain reflects the tax benefit derived from applying the nominal tax rate to the accounting loss. Since there are no adjustments between the nominal and effective tax rates, the effective rate matches the nominal rate of 20%.

EUR '000	For the period 6-30 June 2024
Loss for the period	141
Income tax at the nominal tax rate applicable to the company	28
Tax effect adjustments	-
Income tax gain at the effective tax rate (20%)	28



## Deferred tax assets

Changes in and balances of deferred tax assets and liabilities for the period ended on 30 June 2024:

EUR '000	As of 6 June 2024	Recognised in profit or loss	As of 30 June 2024
<b>DEFERRED TAX ASSETS:</b>			
Temporary differences	-	15	15
Carry forward tax losses	-	13	13
<b>Total deferred tax assets</b>	-	<b>28</b>	<b>28</b>

## 8. Financial assets

The financial assets of the Company are represented by the loan to parent and cash and cash equivalents:

EUR '000	Gross amount	Expected credit loss	Net amount
<b>ASSETS</b>			
Cash and cash equivalents	50,142	-	50,142
Loan to parent company	21,009	(77)	20,932
<b>Total assets</b>	<b>71,151</b>	<b>(77)</b>	<b>71,074</b>

### Expected credit loss reconciliation

The table below presents the movement in the allowance for expected credit losses for the period 6 - 30 June 2024:

EUR '000	Stage 1	Total
Opening balance as of 6 June 2024	-	-
New loan to parent company	77	77
<b>Closing balance as of 30 June 2024</b>	<b>77</b>	<b>77</b>

### Fair value disclosures

The table below summarises the Company's financial assets subsequently measured at amortised cost together with their fair value 30 June 2024:

EUR '000	Fair value hierarchy	As of 30 June 2024	
		Carrying amount	Fair value
FINANCIAL ASSETS AT AMORTISED COST			
Cash and cash equivalents	Level 3	50,142	50,142
Loans to parent company	Level 3	20,932	21,013
Total		71,074	71,155

The fair value of the loan to the parent company as of 30 June 2024 was determined using a discounted cash flow (DCF) approach. The future contractual cash flows, consisting of both interest and principal payments, were discounted to their present value using a discount rate comprising the contractual coupon rate and the updated EURIBOR rate as at the reporting date.

## 9. Debt securities

Multitude Capital Oyj issued Senior Guaranteed Unsecured Callable Floating Rate Bonds on 27 June 2024, with a total nominal value of up to EUR 150 million, under ISIN: NO0013259747.

### Key terms

The initial issue size amounted to EUR 80 million, with each bond being issued at 97.60% of its nominal value. The bonds have a maturity date set for 27 June 2028 and will be repaid in full on that date.

The bonds carry an interest rate based on EURIBOR 3M, plus a coupon of 6.75% per annum, with interest payments scheduled quarterly, on 27 March, 27 June, 27 September, and 27 December, starting with the first payment due on 27 September 2024.

### Call and put options

The bondholders have both call and put options. Multitude Capital has the option to redeem the bonds early at various premium rates depending on the timing. If redeemed within the first 24 months from the issue date, the bonds will be callable at 103.375% of the nominal value, with a gradual reduction in the premium thereafter, reaching 100.85% if called after 42 months. In the event of a change of control, bondholders may demand repurchase at 101% of the nominal value.

### Listing

These bonds have been listed on the Frankfurt Stock Exchange Open Market, with the intent to seek a listing on the Frankfurt Stock Exchange Prime Standard or a regulated Nordic market, such as Nasdaq Stockholm or Oslo Børs, within six months of issuance. After the reporting period it has been decided that the bonds will be listed on Nasdaq Stockholm, as disclosed in Note 13.

### Guarantee

Multitude p.l.c. provides an unconditional and irrevocable guarantee for the bonds, covering the full repayment of principal and interest, as well as ensuring that the Group maintains a Net Equity Ratio of at least 18%. More information on the guarantee is provided in Note 12.

### Use of proceeds

The net proceeds from the bond issuance will be used primarily for refinancing existing bonds, covering transaction costs, and supporting general corporate purposes of the Group.

### Events of default

The bonds also include standard events of default, such as non-payment, insolvency, or covenant breaches. Should any of these events occur, bondholders have the right to accelerate the repayment of the bonds.

Fair value disclosures

The table below summarises the fair value of the debt securities which are financial liabilities classified as measured subsequently at amortised costs:

		As of 30 June 2024	
EUR '000	Fair value hierarchy	Carrying amount	Fair value
FINANCIAL LIABILITIES AT AMORTISED COST			
Debt securities	Level 1	70,966	71,897
Total		70,966	71,997

The fair value of debt securities that includes only listed bonds is determined using level 1 fair value measurement based on the published quotes in the Frankfurt Stock Exchange Open Market.

10. Current and non-current assets and liabilities

Asset and liability line items by amounts recovered or settled within or after one year as of 30 June 2024:

EUR '000	Within one year	After one year	Total as of 30 June 2024
ASSETS:			
Cash and cash equivalents	50,142	-	50,142
Loans to parent company	22	20,910	20,932
Deferred tax asset	-	28	28
Total	50,164	20,938	71,102
LIABILITIES:			
Accruals	169	-	169
Debt securities	86	70,880	70,966
Total	256	70,880	71,135

11.Equity

The table below shows composition of authorised share capital of Multitude Capital Oyj:

	2024, N '000	2024, EUR '000
AUTHORISED SHARE CAPITAL	80	80

The table below shows the composition of issued capital of Multitude Capital Oyj.

	2024, N '000
ORDINARY SHARES ISSUED AND OUTSTANDING	
As of 6 June 2024	-
Shares issued during the period	80
As of 30 June 2024	80

The Company's equity comprises share capital and retained earnings.

30 June 2024, EUR'000	
Share capital	80
Retained earnings	(113)
<b>Net equity</b>	<b>(33)</b>

As of the reporting date, the Company’s equity is negative, primarily due to accumulated losses caused by the timing differences between the issuance of bonds and the allocation of proceeds to Multitude p.l.c. However, the increase in the intercompany loan, as disclosed in Note 13, is expected to significantly improve the Company’s results and financial position. The additional loan proceeds will enhance liquidity and profitability, allowing the Company to generate positive interest income, which will contribute to restoring equity to a positive balance by the end of the year.

12. Related party transactions

The Company’s related parties include parent company, companies related to parent company and management of the Company or of the parent. This includes close family members of management of the Company and of Multitude p.l.c., the companies in which management of the Company or of Multitude p.l.c. and their close family members have control or joint control. As a main principle, all transactions with related parties are conducted at arm’s length and are part of the ordinary course of business.

Transactions with related parties are as follows:

EUR '000	For the period 6-30 June 2024
Multitude P.L.C (parent company)	
Interest income	22
Expected credit loss	(77)
<b>Total</b>	<b>(55)</b>

Outstanding balances arising from the above transactions with related parties are as follows:

EUR '000	As of 30 June 2024
Multitude p.l.c. (parent company)	
Gross amount of the loan	21,009
Expected credit loss	(77)
<b>Net amount</b>	<b>20,932</b>

Terms of the loan with parent company

The loan agreement with Multitude p.l.c. is structured with a total loan limit of EUR 80 million. The interest rate applied to the loan is based on the three-month EURIBOR, with an additional coupon rate of 9.25% for the year 2024. From 2025 onwards, the coupon rate will decrease to 8.75%. The loan is set to be fully repaid on its maturity date, which is 27 June 2028, in the form of a bullet payment.

Guarantee of the bond

Multitude p.l.c. has provided a guarantee to Multitude Capital in relation to its obligations under the bond issuance. The guarantee is structured as a joint and several, irrevocable, and unconditional guarantee, under which Multitude p.l.c. acts as principal obligor and guarantees the full and punctual payment of all obligations, including the payment of principal and interest under the terms and conditions of the bond, when due. These

obligations cover payment at maturity, by acceleration, redemption, or otherwise, including interest on overdue amounts and all other monetary obligations under the terms and conditions of the bond.

Key terms of the guarantee include:

- **Nature of the Guarantee:** Multitude p.l.c. guarantees, as if it were its own debt, all of Multitude Capital's obligations to bondholders, including principal and interest payments, under the terms and conditions of the bond.
- **Indemnity:** Multitude p.l.c. agrees to indemnify bondholders against any losses arising from the non-payment, invalidity, or unenforceability of Multitude Capital's obligations.
- **Continuing Obligations:** The guarantee remains in full force and effect despite any extension, renewal, or refinancing of the obligations, any failure to enforce claims against Multitude Capital, or any other modifications or releases of liability under the terms and conditions of the bond.

This guarantee is a continuing obligation and will remain effective until all obligations under the bond are fully discharged.

## 13. Events after the reporting period

### Increase in loan to parent company

Subsequent to the reporting period, in July 2024, the Company increased the loan to Multitude p.l.c. by EUR 50.1 million, bringing the total loan amount to EUR 71.1 million. The other conditions of the loan remain unchanged.

The increase in the loan, along with the related interest income, is expected to significantly improve the Company's liquidity and profitability. This, in turn, will contribute to restoring the Company's equity to a positive balance by the end of the year.

### Secondary listing on Nasdaq Stockholm

The Company is currently preparing for a secondary listing of its bond on Nasdaq Stockholm. This listing is expected to enhance the liquidity and visibility of the bond in the market. These special purposes financial statements have been prepared in connection with the requirements for the secondary listing, which is anticipated to take place in December 2024.

## Approval of the special purpose financial statements and the Board of Directors' report

DocuSigned by:

*Bernd Egger*

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**27 November 2024**

**Helsinki,**

Bernd Egger

Sole ordinary member of the Board of Directors