



# Multitude Group

## Creating success stories in fintech

**Pareto Securities' Bond  
Conference – Stockholm**

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CEO of Multitude Group  
20.03.2025

**MULTITUDE**

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# We have been creating success stories in fintech for the last two decades MULTITUDE



Founded in Finland in 2005

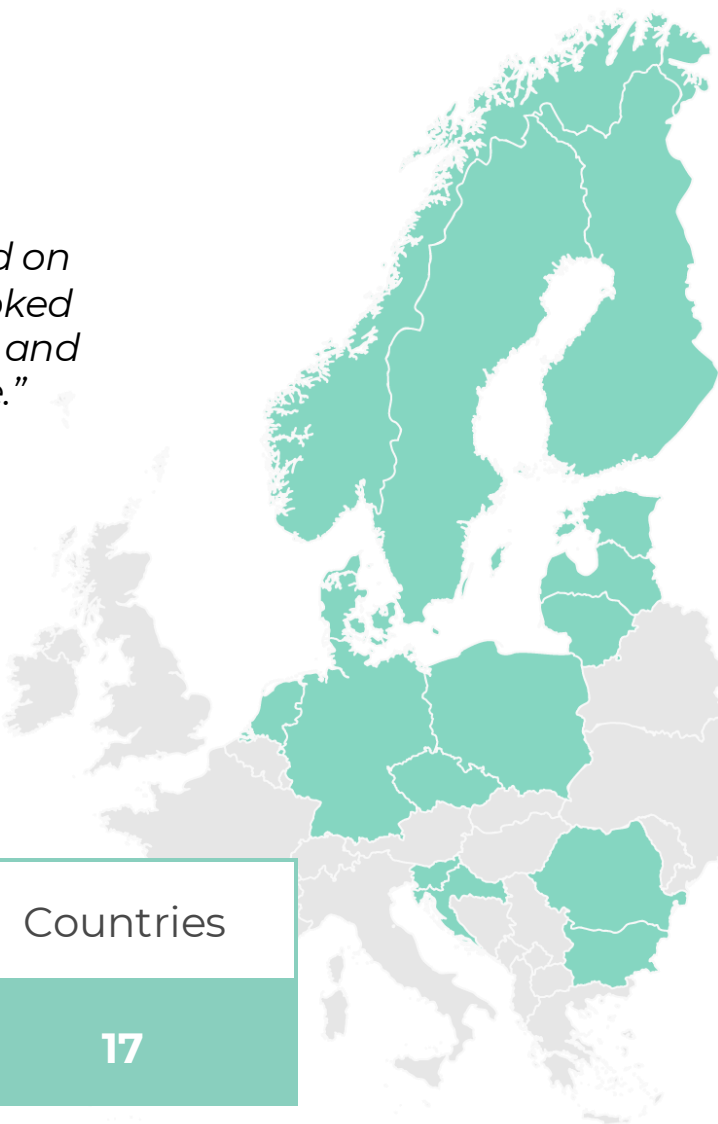


EU wide banking licence



Listed on the  
Frankfurt Stock Exchange

*“Since foundation, we have focused on helping customers who are overlooked by traditional banks, with amazing and fully digital customer experience.”*



Customers  
~400,000

Revenue 2023  
EUR 230m

Net profit 2023  
EUR 16m

Employees  
700+

Countries  
17



## VISION

Building the most  
valuable financial  
platform  
for overlooked  
customers



## MISSION

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



## OUR VALUES

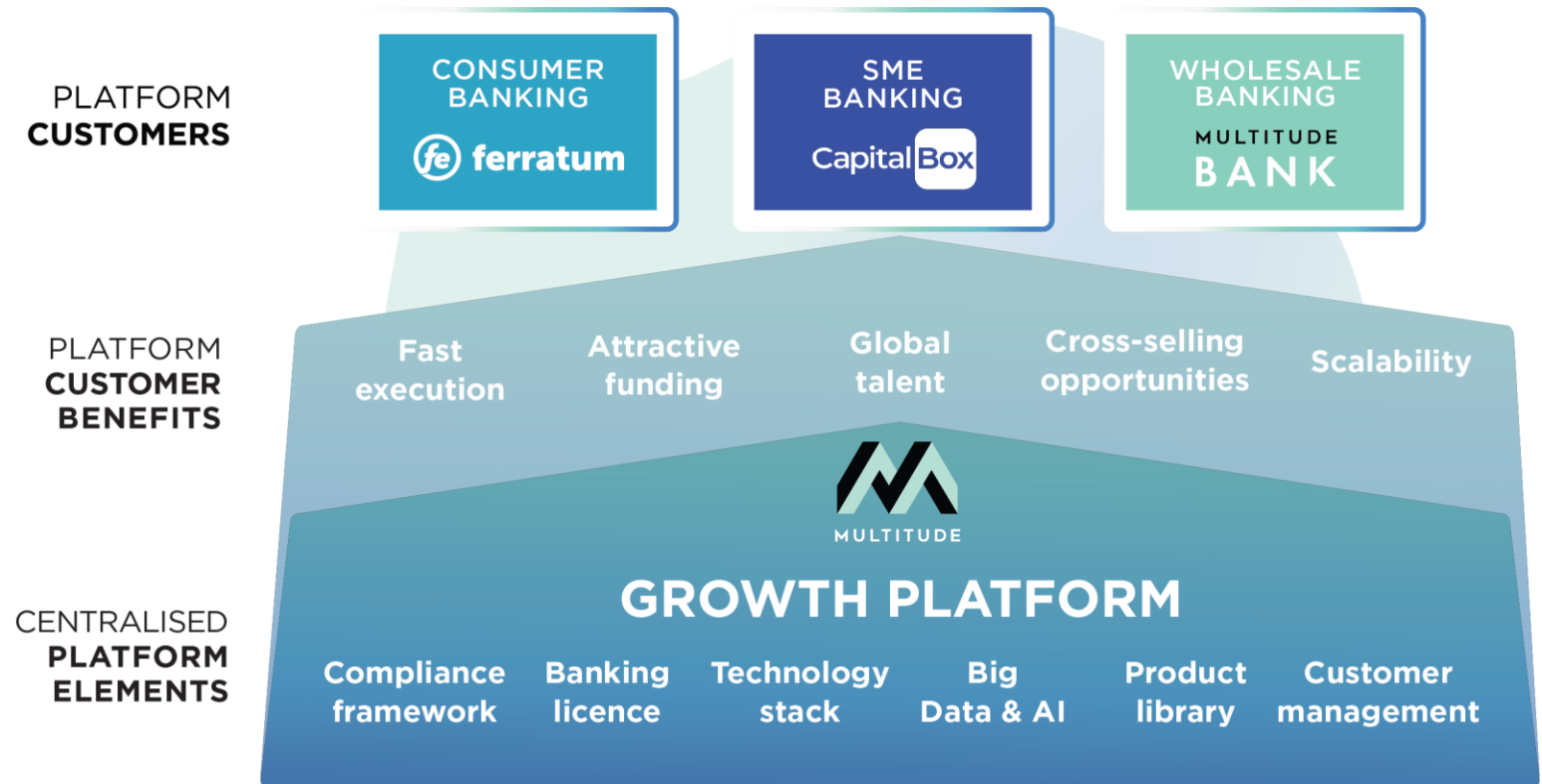
Customer centricity,  
Entrepreneurial spirit,  
Candour, Respect,  
and Winning teams

# Multitude's Growth platform

Our three independent business units focus on sales and customer experience

The growth platform makes sure that the other operations and processes work seamlessly

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# Our growth is built on three fundamentals: Organic development, partnerships and acquisitions

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## **ORGANIC DEVELOPMENT**

- Enhance customer-facing and internal processes
- Product and country portfolio expansion
- Crystallise our unique selling points (USP) for customers

## **PARTNERS**

- With sales allies
- With white-label collaborators
- With service provider partners

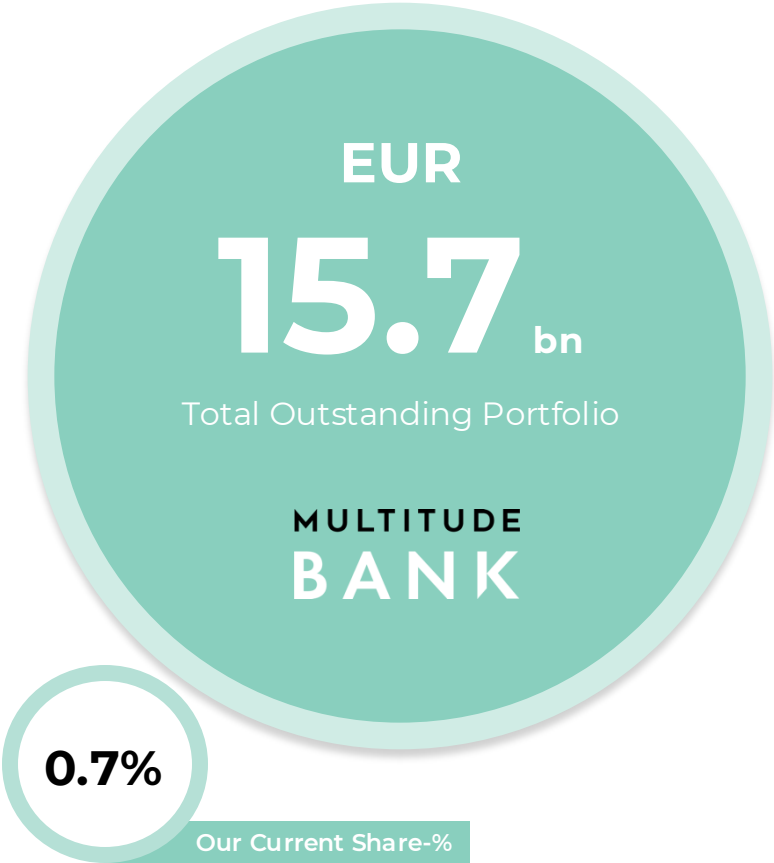
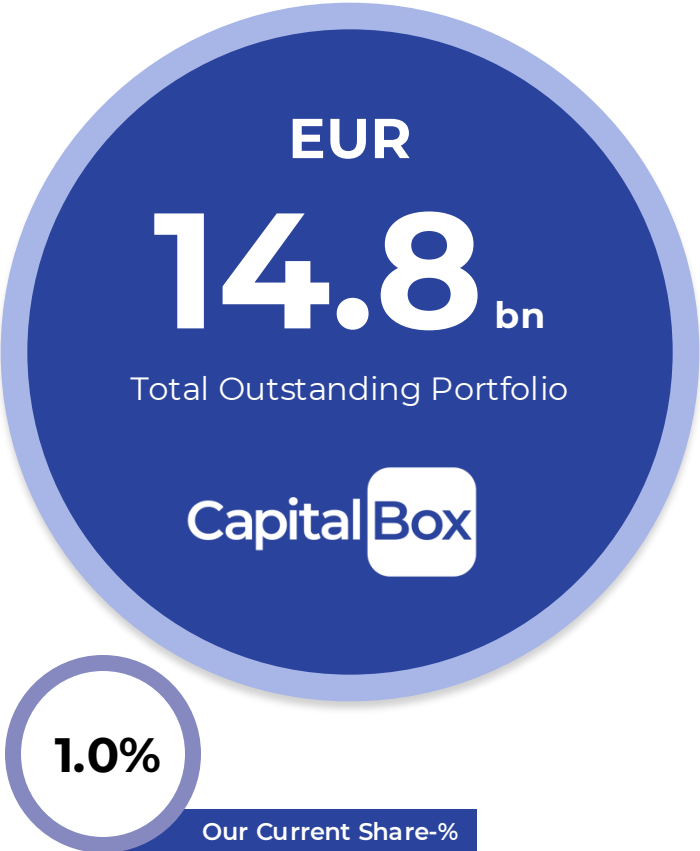
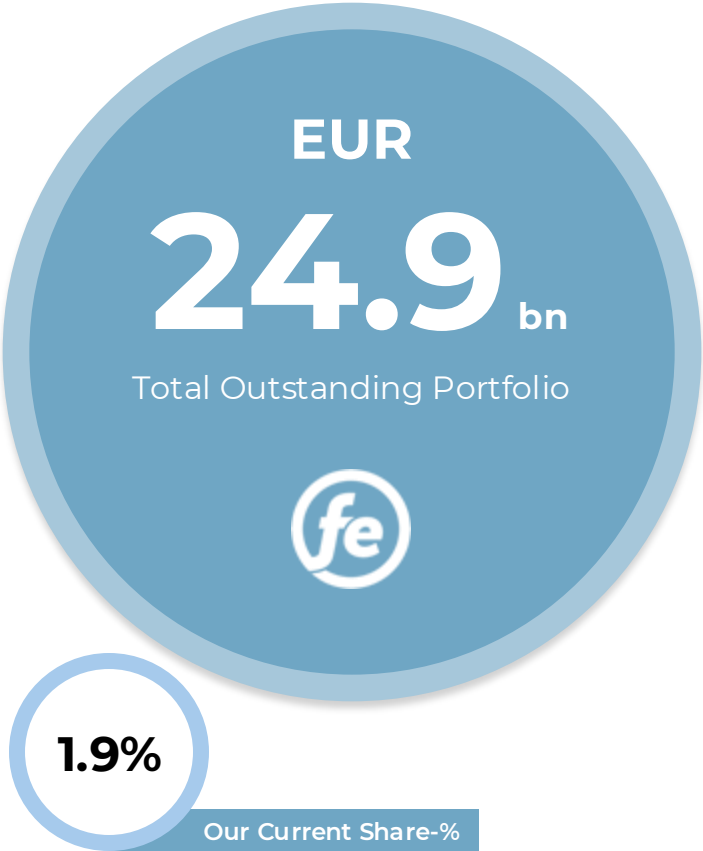
## **ACQUISITIONS**

- Entering new countries or introducing new products
- Enhancing our current offerings within existing markets and products
- Integrating new businesses into our Growth platform



# Significant growth potential for all our business units\*

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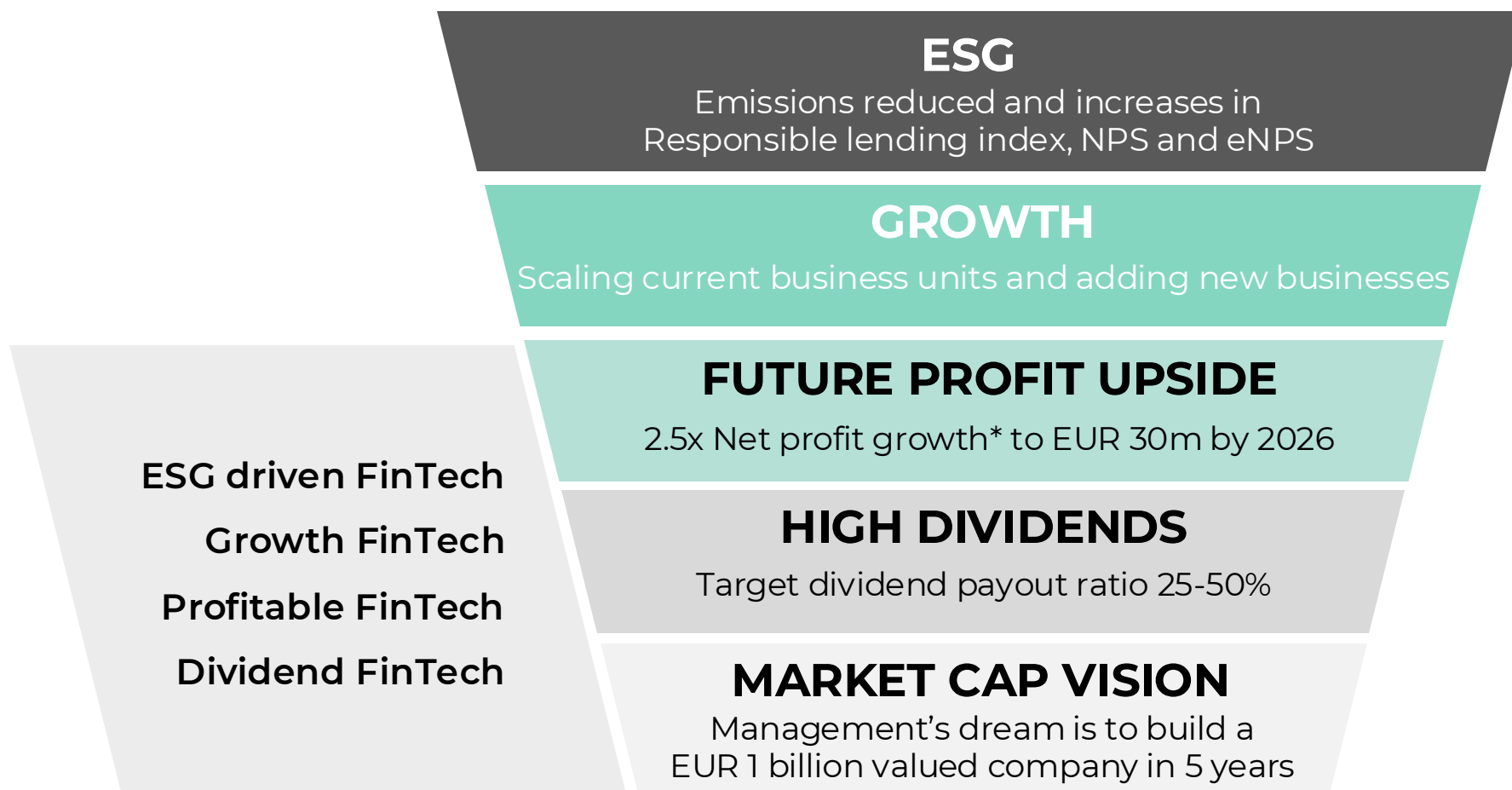


8 \*Total Addressable Market; Full Potential For The Products and Markets of The Future



We are aiming for stable profitable growth, commitment to ESG values, and dividend distribution to shareholders

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## Financial overview (9Months): Strong performance continues

in EURm	9M 2024	9M 2023*	%/pp change
Interest income	193.9	168.5	15.1
Interest expense	(30.1)	(14.2)	112.1
<b>Net interest income</b>	<b>163.8</b>	<b>154.3</b>	<b>6.2</b>
Fair value and foreign exchange gains and losses	(2.5)	(3.7)	-32.8
Other income	0.3	-	-
Loss for the period from investment in associates	(0.2)	-	-
<b>Net operating income</b>	<b>161.4</b>	<b>150.7</b>	<b>7.1</b>
Operating expenses:			
Impairment loss on loans to customers	(73.6)	(64.4)	14.3
Personnel expense	(27.5)	(25.2)	9.3
General and administrative expense	(25.9)	(22.9)	13.0
Depreciation and amortisation	(9.4)	(11.5)	-18.4
Selling and marketing expense	(10.3)	(11.0)	-5.9
<b>Profit before income tax</b>	<b>14.6</b>	<b>15.3</b>	<b>-4.7</b>
Income tax expense	(1.9)	(2.8)	-32.4
<b>Profit for the period</b>	<b>12.7</b>	<b>12.5</b>	<b>1.4</b>
One-off finance expense adjustment		-	-
<b>Profit for the period adjusted</b>	<b>12.7</b>	<b>12.5</b>	<b>1.4</b>

### Strong business performance in challenging environment:

- Revenue grew by 15.1% to EUR 193.9m
- Net interest income increased by 6.2% after increased interest expenses
- Provisions for impairment losses increased driven by significant business volume growth, and due to elevated credit losses in some markets
- Personnel expenses somewhat elevated due general cost pressure and to new hires related to new initiatives
- Operating expenses remain well under control
- Cost income ratio at 45.3% vs 47.1% during 9M 2023
- 42.2% growth in EBIT to EUR 47.2m
- Net profit increased by 1.4% at EUR 12.7m
- Basic EPS remains stable at EUR 0.38 per share during 9M 2024 (0.38 during 9M 2023)

# Balance sheet:

## Assets in line with business growth and performance

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in EURm	Sept 2024	Dec 2023	% change
Cash and cash equivalents	267.1	283.7	-5.9
Derivative financial assets	0.1	0.3	-68.3
Loans to customers	624.7	575.9	8.5
Debt investments	101.2	62.1	62.9
Current tax assets	1.9	1.8	1.1
Other financial assets	23.6	19.4	21.5
Prepaid expenses and other assets	2.9	2.8	0.6
Intangible assets	32.3	29.5	9.6
Right-of-use assets	4.9	4.8	1.4
Property, plant and equipment	2.6	2.9	-10.4
Investments accounted for using the equity method	0.8	1.0	-22.4
Deferred tax assets	5.8	6.5	-10.1
<b>Total assets</b>	<b>1,068.0</b>	<b>991.0</b>	<b>7.8</b>

### Asset movements:

- Cash level stable
- Loan portfolio and investments increased from EUR 638m in December 2023 to EUR 726m on 30 September 2024 (13.8% growth)
- Portfolio growth 23.8% 9m 2024 vs 9M 2023
- Total assets increased by 7.8% at EUR 1,068m

## Balance sheet: Liabilities and shareholders' equity

in EURm	Sept 2024	Dec 2023	% change
<b>Equity</b>			
Share capital	40.1	40.1	-0.1
Treasury shares	(0.6)	(0.1)	526.1
Retained earnings	92	87.3	5.4
Unrestricted equity reserve	14.8	14.7	0.4
Perpetual bonds	45.0	45.0	-
Translation differences	(3.5)	(3.4)	4.8
Other reserves	-	-	-
Total equity	188.0	184.0	2.2
<b>Liabilities</b>			
Derivative financial liabilities	2.3	5.3	-57.5
Deposits from customers	773.4	732.3	5.6
Current tax liabilities	1.0	2.3	-56.5
Provisions, accruals and other liabilities	21.2	13.4	58.4
Debt securities	76.1	47.8	59.1
Lease liabilities	4.9	5.0	-0.5
Deferred tax liabilities	1.3	1.2	14.0
Total liabilities	880.0	807.0	9.0
<b>Total equity and liabilities</b>	<b>1,068.0</b>	<b>991.0</b>	<b>7.8</b>

### Movements in liabilities and shareholders' equity:

- Equity of the group increased to EUR 188.0
- ND/E 3.27
- Net Equity Ratio 23.4%
- On 12 June 2024, Multitude Capital Oyj successfully placed a 4-year senior unsecured bond amounting to EUR 80 million. Multitude SE bond 2022-2025 called. Issuing related one-off cost 2.8m. Interest rate cost of new instrument ca 100bp below old instrument.
- Deposits increased to EUR 773.4m and remain the main source of funding

# Segment view – business unit performance

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in EURm	Consumer banking			SME banking			Wholesale banking			Group		
	9M 2024	9M 2023	% change	9M 2024	9M 2023	% change	9M 2024	9M 2023	% change	9M 2024	9M 2023	% change
Interest income	160.6	148.2	8.3	24.7	17.1	44.6	8.7	3.2	169.9	193.9	168.5	15.1
Interest income share,%	82.8	88	-5.2	12.7	10.1	2.6	2.2	1.4	57.1	100.0	100.0	-
Interest expense	(19.9)	(10.7)	87.1	(6.0)	(2.9)	105.8	(4.2)	(0.6)	551.5	(30.1)	(14.2)	112.1
<b>Net interest income</b>	<b>140.6</b>	<b>137.5</b>	<b>2.2</b>	<b>18.7</b>	<b>14.2</b>	<b>32.1</b>	<b>4.4</b>	<b>2.6</b>	<b>73.5</b>	<b>163.8</b>	<b>154.3</b>	<b>6.2</b>
Fair value and foreign exchange gains and losses	(1.9)	(3.1)	-37	(0.5)	(0.6)	-11.6	-	-	-	(2.5)	(3.7)	-32.8
Other income	-	-	-	0.3	-	-	-	-	-	0.3	-	-
Loss for the period from investment in associates	-	-	-	-	-	-	(0.2)	-	-	(0.2)	-	-
<b>Net operating income</b>	<b>138.8</b>	<b>134.5</b>	<b>3.1</b>	<b>18.4</b>	<b>13.5</b>	<b>36.0</b>	<b>4.2</b>	<b>2.6</b>	<b>62.5</b>	<b>161.4</b>	<b>150.7</b>	<b>7.1</b>
Impairment loss on loans to customers	(62.2)	(59.9)	3.9	(11.1)	(4.5)	149.5	(0.2)	-	-	(73.6)	(64.4)	14.3
Operating expenses	(53.1)	(56.6)	-6.3	(16.5)	(11.6)	42.3	(3.7)	(2.4)	51.7	(73.2)	(70.6)	2.0
<b>Profit before income tax</b>	<b>23.4</b>	<b>17.6</b>	<b>33.0</b>	<b>(9.2)</b>	<b>(2.5)</b>	<b>268.8</b>	<b>0.3</b>	<b>0.2</b>	<b>75.1</b>	<b>14.6</b>	<b>15.3</b>	<b>-4.7</b>
Loans to customers	478.4	453.0	5.6	134.6	92.9	44.9	11.7	0.2	7,371.1	624.7	575.9	8.5
Debt investments	-	-	-	-	-	-	101.2	40.3	151.0	101.2	62.1	62.9



- Strong growth in revenue (+8.3%)
- Very satisfactory credit loss performance
- Continues to deliver excellent profitability level



- Strong growth in revenue (+44.6%)
- Credit loss impairments increased (drivers: portfolio growth, elevated credit losses in some markets (actions taken during Q1, positive results visible))
- Investment rationale: scaling up based on positive unit economics

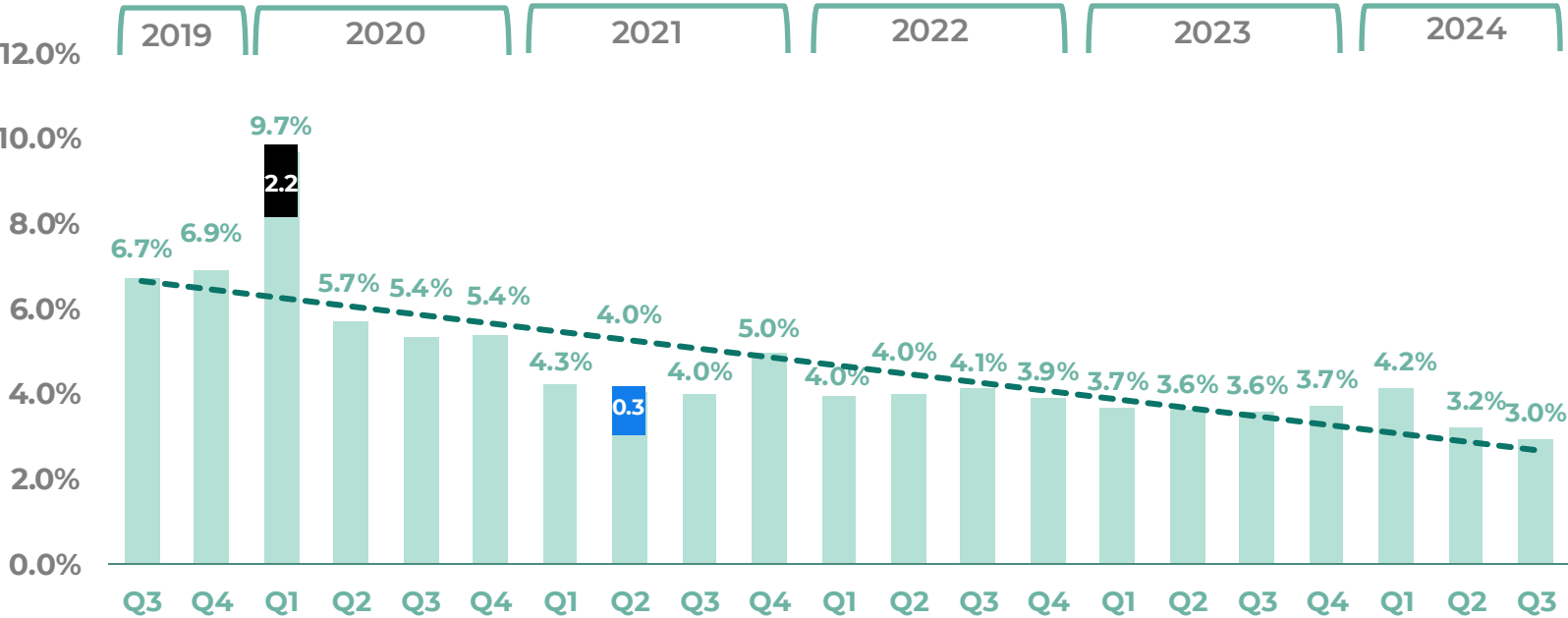


- Strong growth in revenue (+169.9%) and strong financial performance
- Business unit is at its early stages and has massive opportunities

# Strong asset quality

- impairment losses down to 3.0% on quarterly levels

Impairment losses / NAR



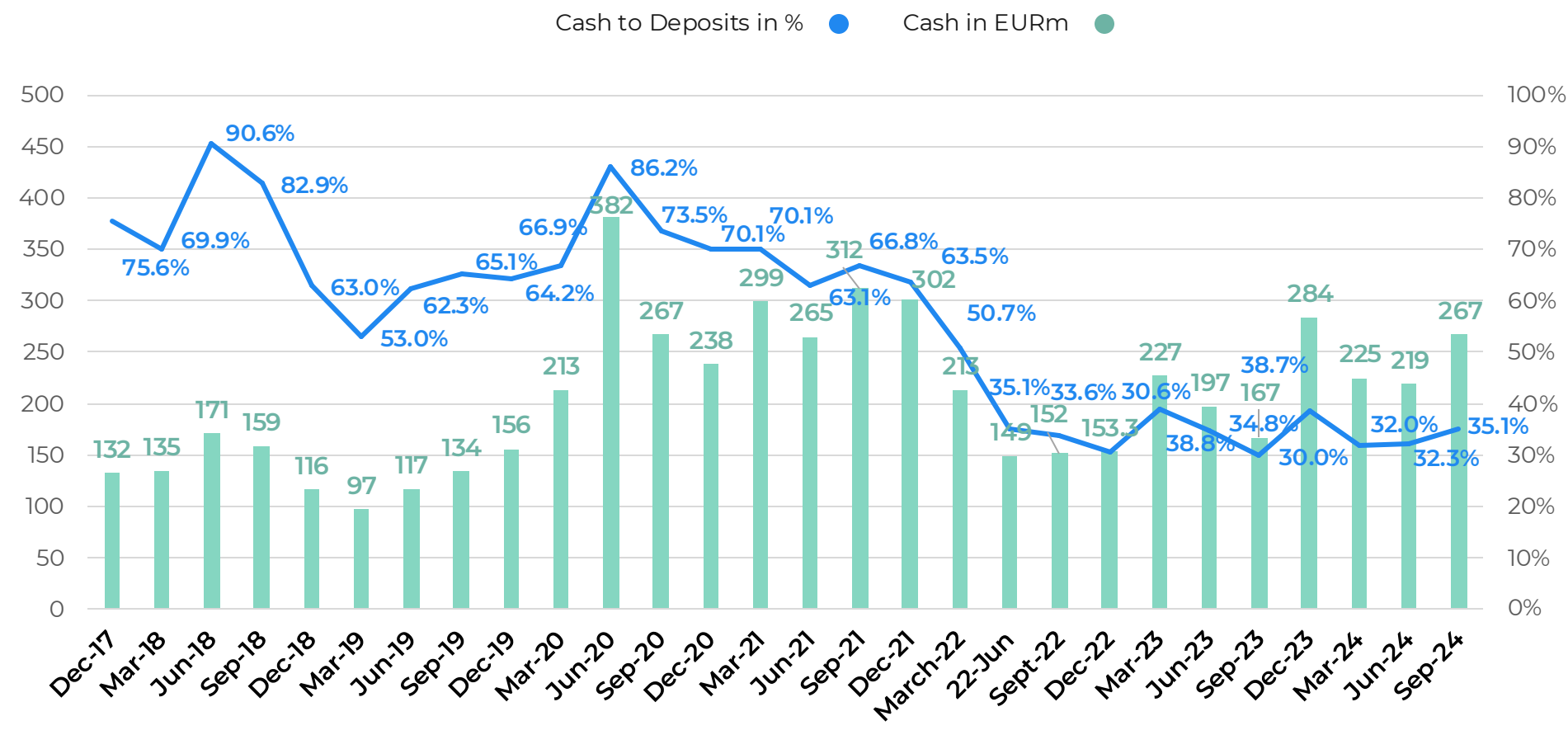
- EUR 7.8 million COVID-19 related impairment charge of in Q1 2020
- EUR 1.4 million positive impact of macroeconomic variables in Q2 2021

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## Balanced growth strategy drives asset quality improvements:

- Long-term trend: Continuous improvement in impairment losses over net accounts receivable (NAR)
- High asset quality maintained during challenging periods
- Key driver is enhanced scoring and underwriting and focus on better asset classes, partly offset by impact of market environment

14 \*Credit losses do not include collection costs for comparative purposes. Net AR ("NAR") incl. Loans to customers and Debt investments

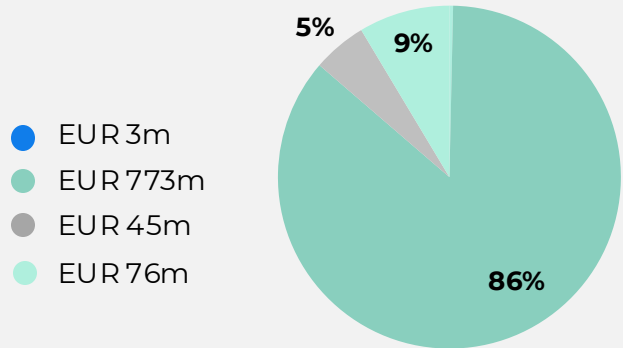


- Cash base within long-term target level corridor
- More than 35% of deposits have a residual maturity of more than 1 year
- Highly granular customer base

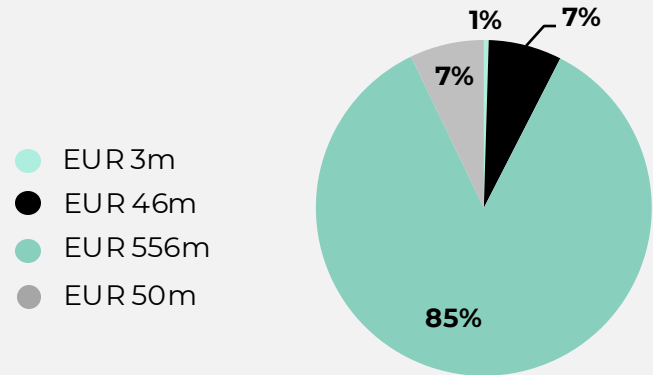


# Funding structure and cost of debt capital

Financing mix at 30 September 2024

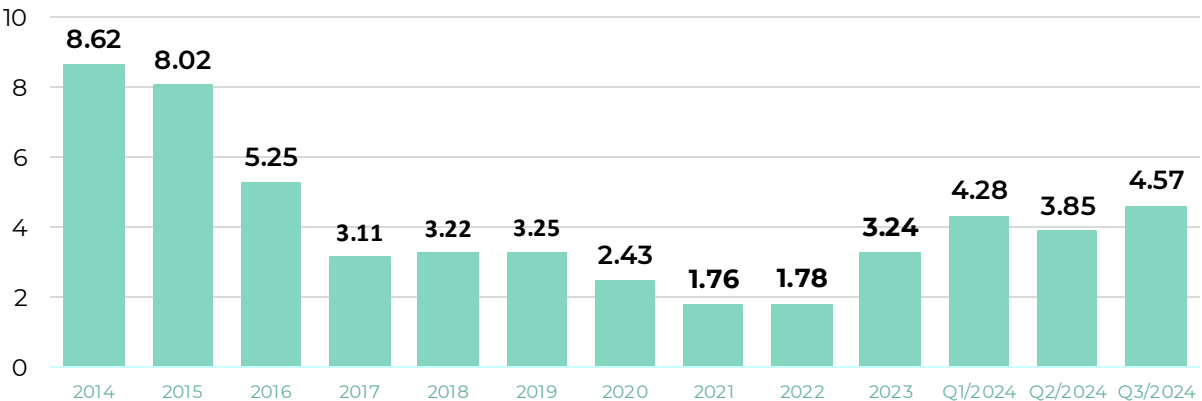


Financing mix at 30 September 2023



- Deposits
- Multitude AG  
8.90% + 3-month Euribor perpetual (IFRS Equity)
- Multitude Bank p.l.c.  
6% fixed rate Tier 2 bond 2032 (Reg. Capital)
- Multitude AG  
7.5% + 3-month EURIBOR, due 2025\*
- Multitude Capital Oyj  
6.75% + 3-month Euribor, due 2028

## Cost of capital (%)\*



## Important events

- Multitude Capital Oyj has successfully launched an EUR 80 m 4-year bond in June 2024 and has subsequently refinanced the 2025 bond of Multitude AG
- Multitude Bank p.l.c. issued a EUR 25 m subordinated Tier 2 bond in March 2025 (not included in financing mix above)
- Opportunistic Debt Capital Markets transactions constantly assessed

# Multitude Group in Capital markets

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## Three issuing entities focused on complementary objectives

### Multitude Bank p.l.c. (Fitch: B+ pos.):

- Licensed by Maltese Financial Services Authority (MFSA); credit institution under the Banking Act (chapter 371) of the Laws of Malta
- Mainly deposit-funded (EUR, SEK), small capital market presence (eur 5.05m 10yr subordinated T2)
- Diversification of funding sources to fund operating lending business
- **Strengthening of equity and regulatory capital** (T2/MREL)

### Multitude AG (Fitch: B+ pos.):

Well-known capital market issuer

- Multitude AG senior unsecured bond issue 2022 – 2025
- Multitude Perpetual Capital (First Call June 2026)
- Funding for **general corporate purposes**

### Multitude Capital Oyj

- Senior unsecured bond issue 2024 - 2028

## Multitude Bank comfortably meets all regulatory capital requirements

	FY 2021	FY 2022	FY 2023	H1 2024
	€000s	€000s	€000s	€000s
Cash and cash equivalents	138,921	66,808	210,030	85,256
Investments	60,685	99,064	148,291	221,514
Loans and advances to banks	48,165	27,356	36,074	42,752
Loans and advances to customers	323,932	407,796	468,441	466,237
Total other assets (excluding the above)	32,381	46,781	46,233	47,878
<b>Total assets</b>	<b>604,084</b>	<b>647,805</b>	<b>909,069</b>	<b>863,637</b>
Share capital and other reserves	73,092	91,092	88,500	95,500
Retained earnings	32,618	35,245	48,691	55,191
<b>Total equity</b>	<b>105,710</b>	<b>126,337</b>	<b>137,191</b>	<b>150,691</b>
Deposit	486,040	503,337	732,289	678,311
Debt securities	-	4,980	4,915	4,766
Other liabilities	12,334	13,111	34,674	29,869
<b>Total liabilities</b>	<b>498,374</b>	<b>521,428</b>	<b>771,878</b>	<b>712,946</b>
CET1 Capital Ratio (CET1)	18.45%	18.21%	16.74%	16.77%
Total Capital Ratio (TCR)	18.45%	18.91%	17.33%	17.30%
Liquidity Coverage Ratio (LCR)	1810%	710%	4520.56%	2353.15%
Net Stable Funding Ratio (NSFR)	126%	100%	132.30%	117.26%
Net interest income	125,810	145,796	157,358	81,108
<b>Operating income</b>	<b>126,225</b>	<b>145,884</b>	<b>155,373</b>	<b>80,665</b>
Operating expenses	(57,995)	(61,531)	(71,812)	(37,121)
Net impairment losses	(52,221)	(62,105)	(71,749)	(37,338)
<b>Profit before tax</b>	<b>16,009</b>	<b>22,248</b>	<b>11,812</b>	<b>6,206</b>
Return on Equity (RoE)	16.22%	19.18%	8.24%	
Return on Assets (RoA)	3.05%	3.55%	1.39%	
Cost to income ratio	45.95%	42.18%	85.87%	85.68%



# Q&A

# Appendix

# Multitude group highlights 9M 2024

## – Increasing revenue and strong EBIT growth

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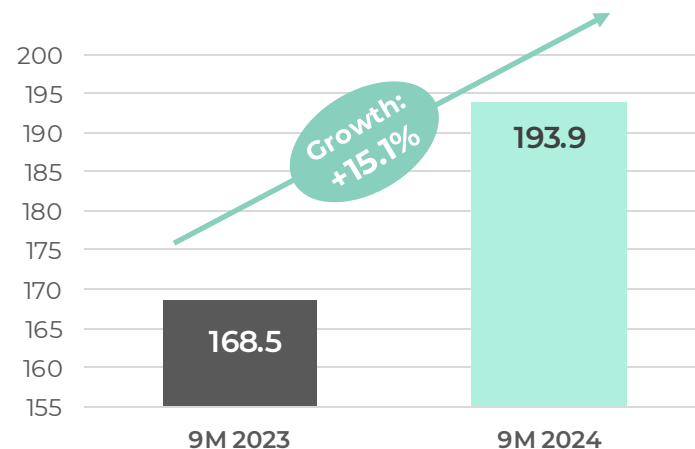
### Highlights 9M 2024

- Both revenue and EBIT growing strongly
- All 3 business units growing
- Demand and payment behaviour remains robust
- First share buyback programme completed in July 2024
- Relocation process to Switzerland will be completed on 31st December 2024

### Focus going forward

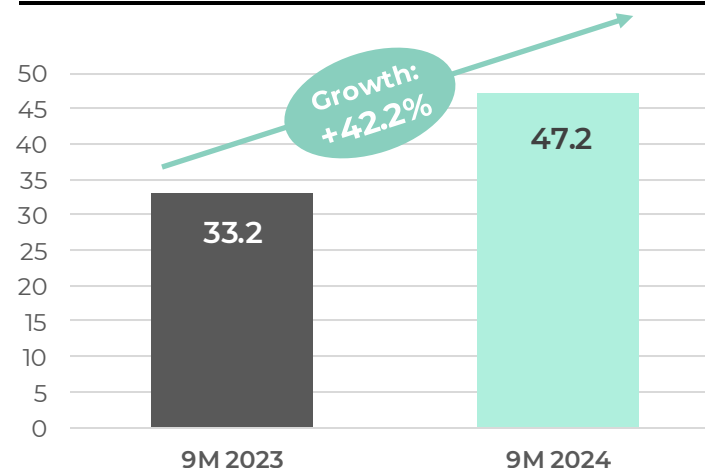
- Focus on 3 growth initiatives: Organic, Partnerships and M&A
- Enhance risk management and AI investments to further improve scalability
- Achieve our communicated guidance:
  - EBIT of EUR 67.5m in 2024, and
  - Net profit of EUR 23m in 2025
  - Net profit of EUR 30m in 2026

### Revenue\* in EURm

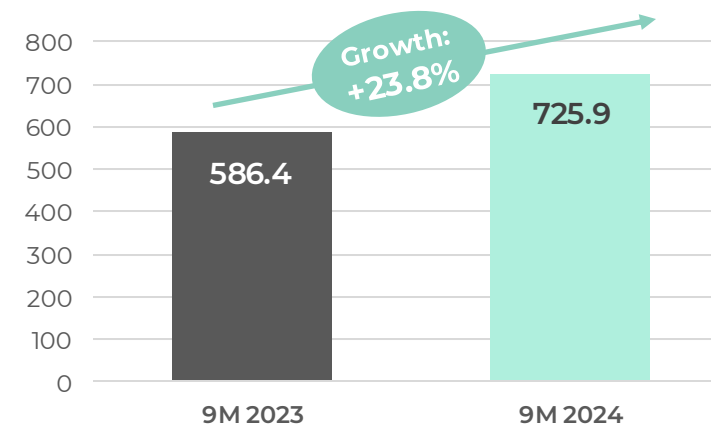


\*Includes Interest income and Fee and commission income

### EBIT in EURm



### NET AR\*\* in EURm



\*\* Net AR incl. Loans to customers and Debt investments

# Consumer Banking highlights 9M 2024

## – Strong performance continues



### Highlights 9M 2024

- Improved marketing bidding process in further countries
- Entered Polish market via partnership model in October
- Credit risk improvements done during Q2 and Q3 with visible positive results
- SweepBank banking products integrated to Ferratum offering in Finland and Latvia

### Focus going forward

- Continue integrating SweepBank banking products to Ferratum offering in other countries
- Focus on 3 main initiatives to accelerate revenue and profitability growth: Organic, Partnerships and M&A
- Improvements in scalability by automation, data & AI, and risk innovations

### Targets 2024

Our target for 2024 is to achieve 5% higher EBIT than the previous year. We are currently outperforming this target

### 9M 2024 in numbers

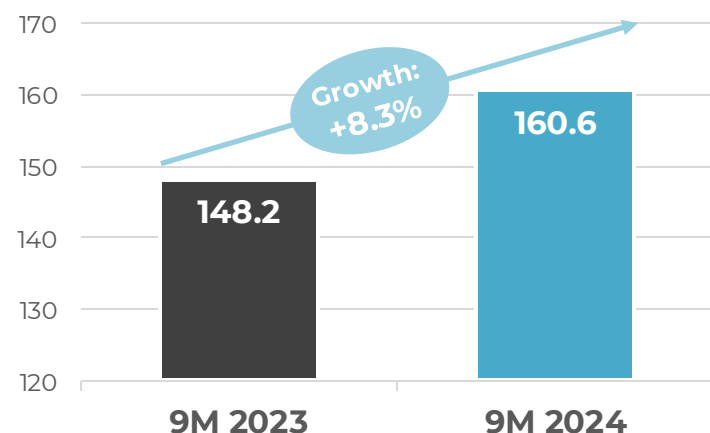
Products  
**3**

Markets  
**13**

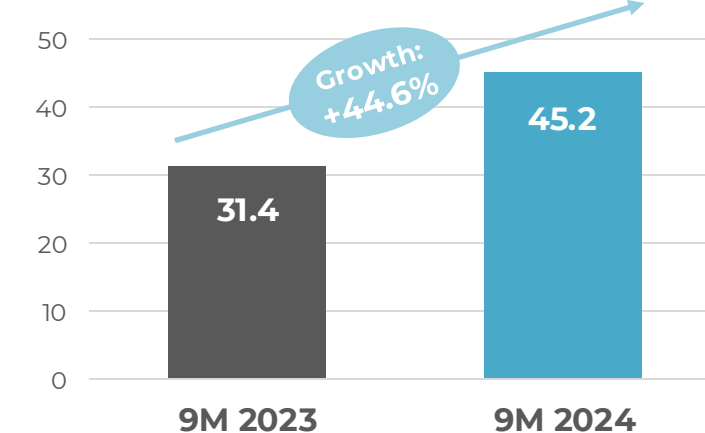
NPS  
**63**

Contact share in self-service **83%**

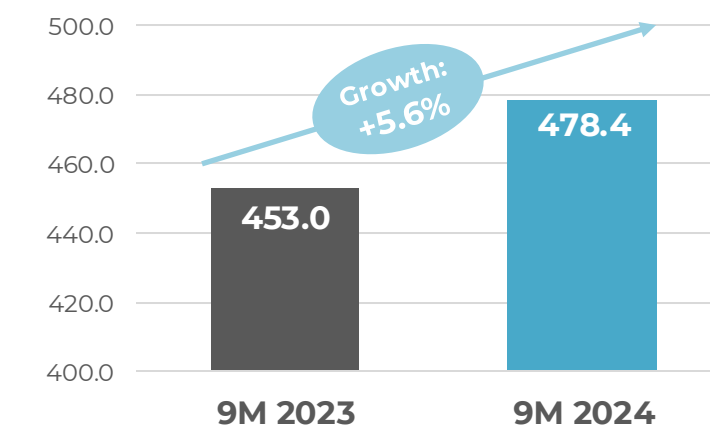
### Revenue\* in EURm



### EBIT\*\* in EURm



### NET AR in EURm



22 \*Includes Interest income and Fee and commission income

\*\*EBIT=PBT – Interest expense – Fair value and foreign exchange gains/losses



# SME Banking highlights 9M 2024

– Strong growth and credit risk provisions decreasing according to plan



## Highlights 9M 2024

- Focus on retention of customers: Multi-product offering launched and further development in daily banking solutions
- Secured lending portfolio growing, due to improvements in sales processes
- Improved collection processes
- Finetuned underwriting processes driving probability of default down
- Further automation by launching AI powered invoice scraping solution for factoring product

## Focus going forward

- Integrate SweepBank account and credit card products to CapitalBox offering
- Focus on 3 main initiatives to accelerate our revenue growth and profitability: Organic, Partnerships and M&A
- Improvements in risk management and scalability by automation, data & AI, and risk innovations

## Targets 2024

Our original target for 2024 was to achieve EUR 10m EBIT. We decided to tolerate lower EBIT levels due to strong Group level profitability and growth opportunities in CapitalBox

## 9M 2024 in numbers

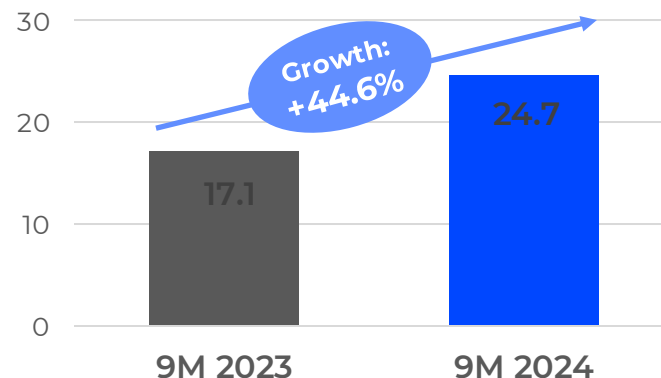
Products

5

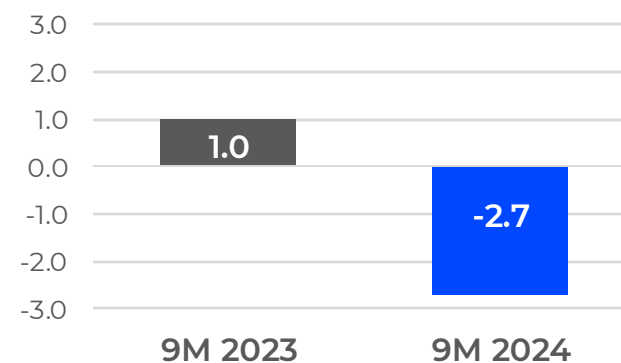
Markets

5

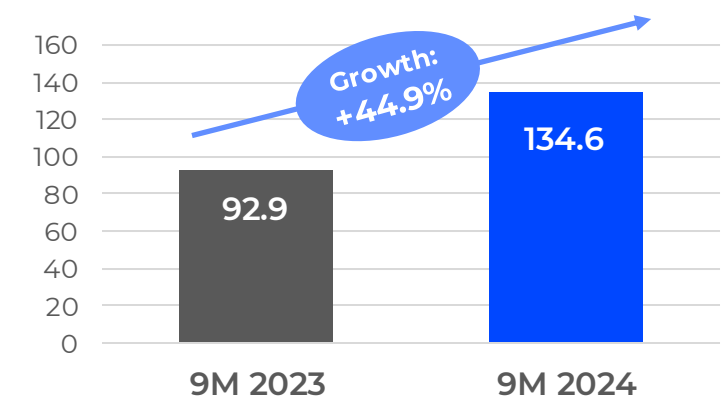
## Revenue in EURm



## EBIT\* in EURm



## NET AR in EURm



# Wholesale Banking highlights 9M 2024

– Strong profitable growth with carefully selected institutional clients

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BANK

## Highlights 9M 2024

- Increased expertise and reduced deal origination time: core team from 4 to 15 FTEs
- Enhanced risk management tools with new AI base systems in progress
- Active presence in 7 European countries
- Strong secured debt pipeline over EUR 300m, with EUR 100m in advanced stages
- Currently 2 Payment Institutions live for SEK and EUR payments

## Focus going forward

- Emphasizing smart risk-taking and disciplined and fast execution
- Enhance and accelerate our underwriting and bring scalability through automation, data-driven AI, and innovative risk solutions
- Expand our reach by successfully onboarding new clients for payment services

## Targets 2024

On our way to achieving our 2024 target of EUR 6m EBIT\*.

## 9M 2024 in numbers

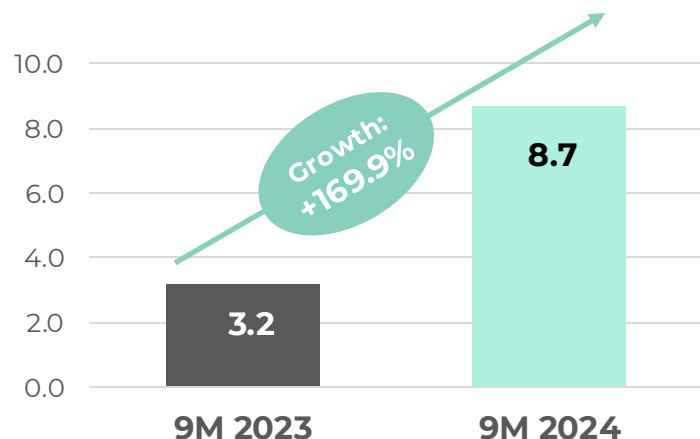
Products

2

Markets

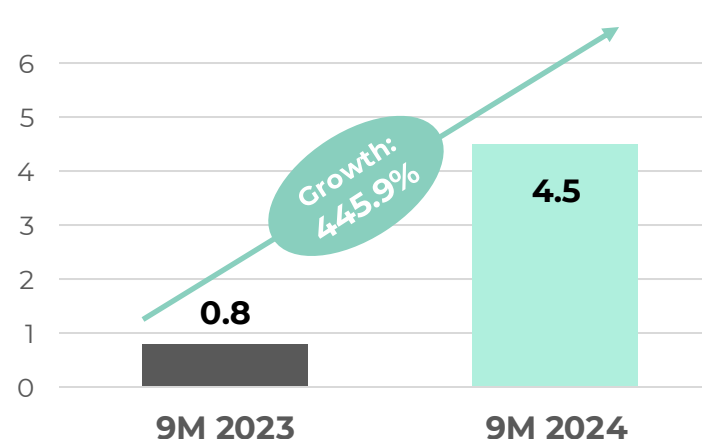
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## Revenue in EURm



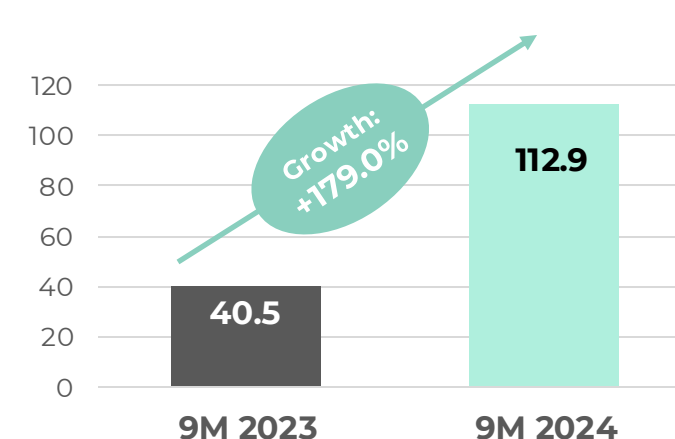
24: All numbers in the graphs are restated as of Q1 2023

## EBIT\* in EURm



\* EBIT=PBT – Interest expense – Fair value and foreign exchange gains/losses

## NET AR\*\* in EURm



\*\* Net AR incl. Loans to customers and Debt investments