



Multitude SE

EF Equity Forum – German Fall Conference

Lasse Mäkelä
September 2024

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Important notice

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

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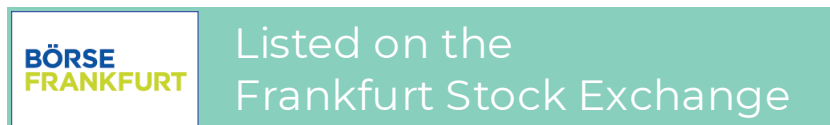
By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Future results may vary from the results expressed in, or implied by, the forward-looking statements, possibly to a material degree.

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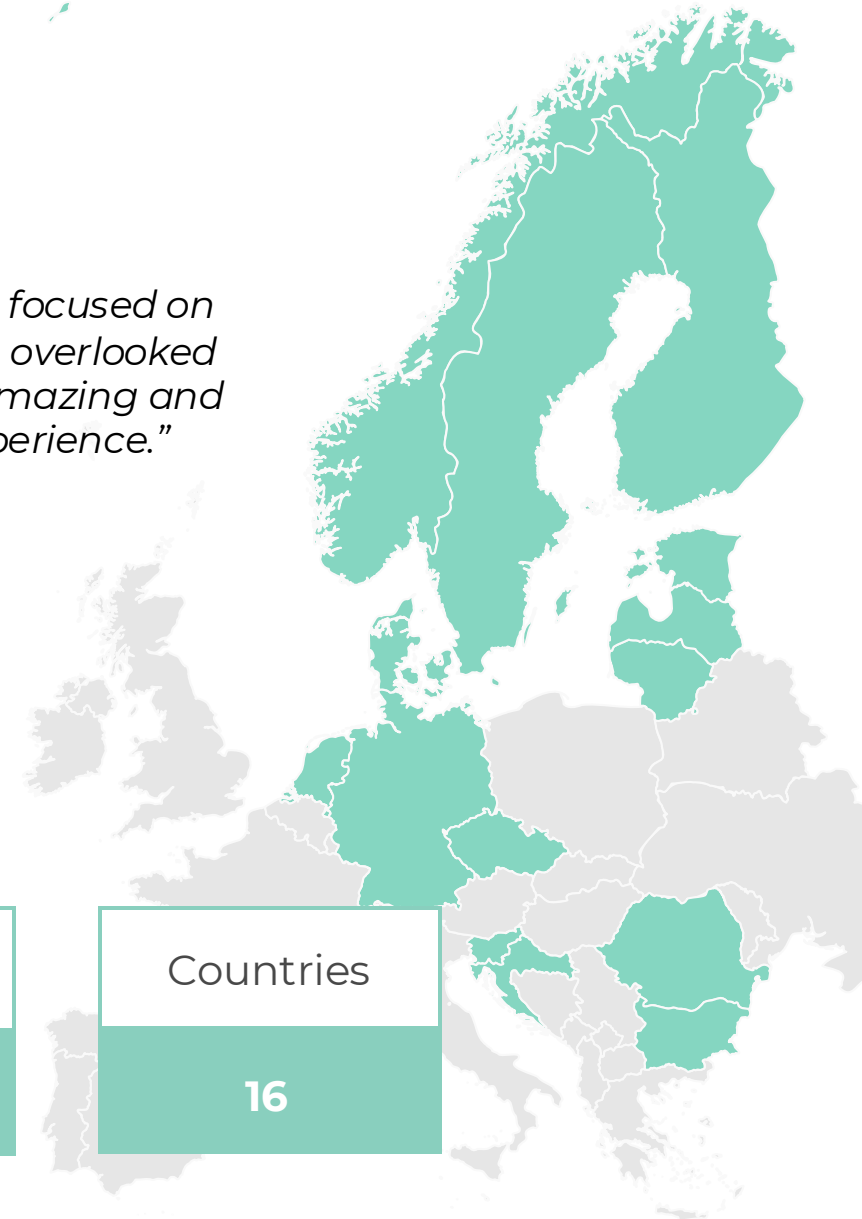
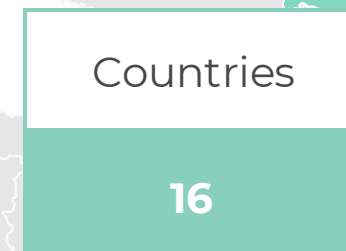
Nothing in this presentation constitutes investment advice and this presentation shall not constitute an offer to sell or the solicitation of an offer to buy any securities of Multitude or otherwise to engage in any investment activity.

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

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





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

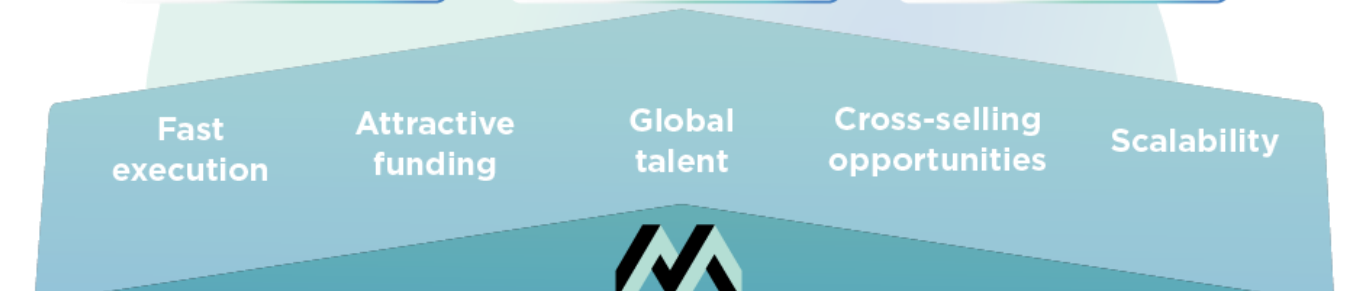
Our three independent business units focus on sales and customer experience

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

PLATFORM CUSTOMERS



PLATFORM CUSTOMER BENEFITS



CENTRALISED PLATFORM ELEMENTS



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
- Bolster 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 tribes into our Growth platform

Significant growth potential for all our business units*

EUR 24.9_{bn}

Total Outstanding Portfolio



2.3%

Our Current Share-%

EUR
14.8_{bn}

Total Outstanding Portfolio



1.0%

Our Current Share-%

EUR
15.7_{bn}

Total Outstanding Portfolio

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BANK

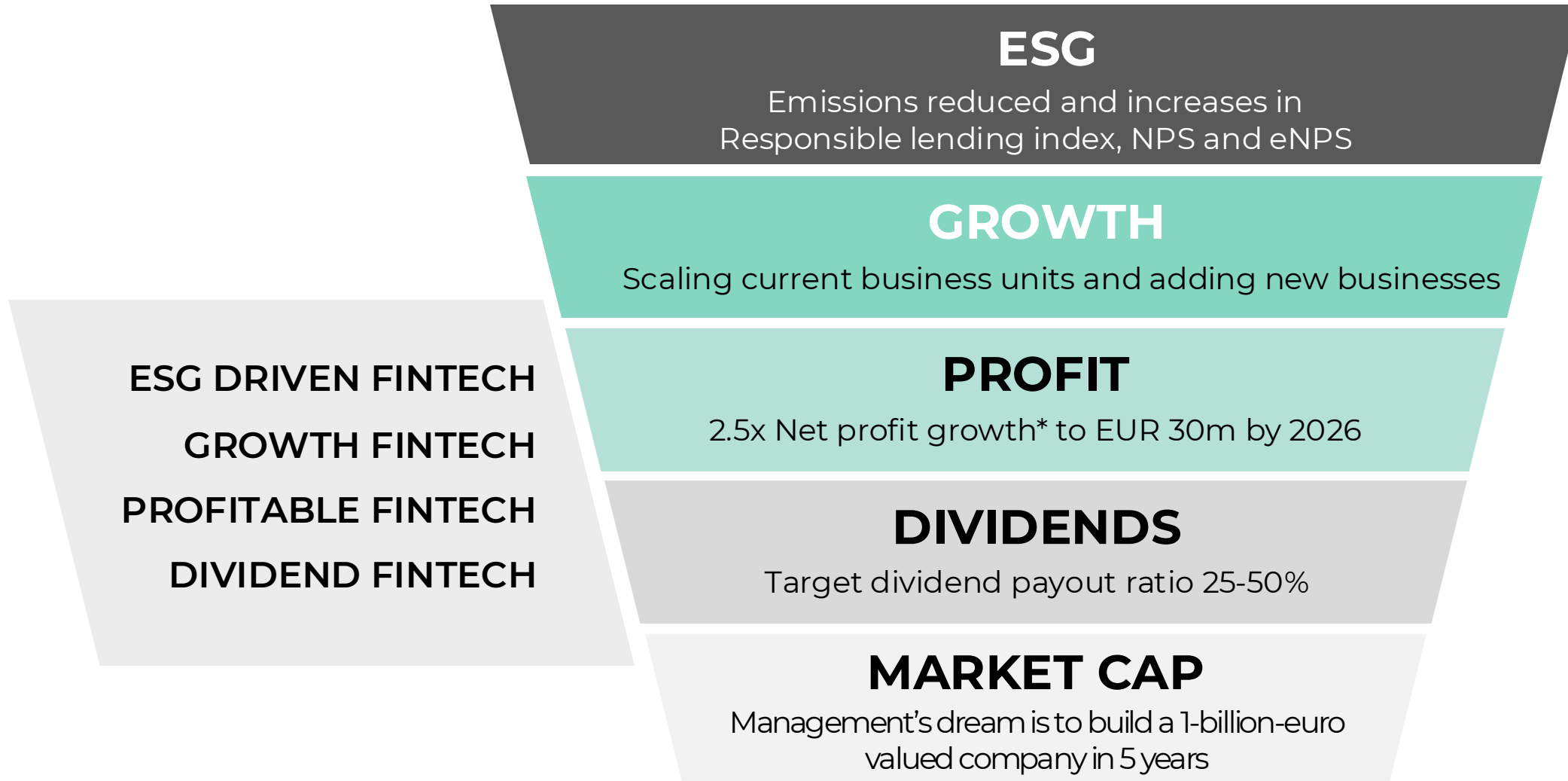
0.3%

Our Current Share-%

*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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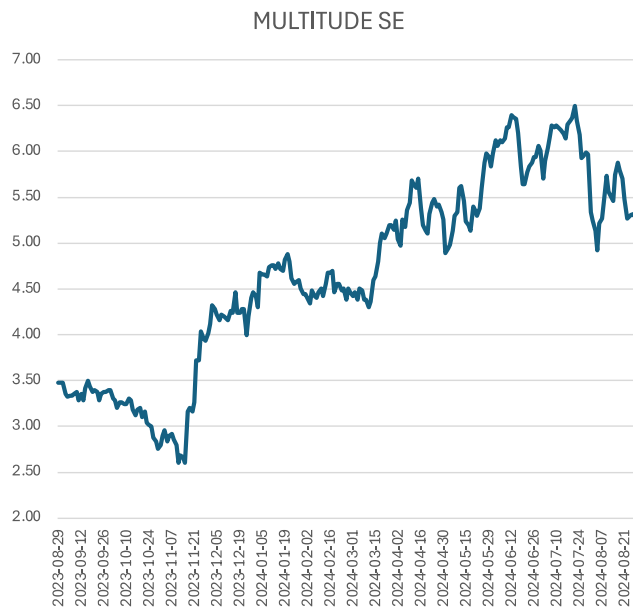


Consensus estimate for Multitude share is EUR 9.73 vs current price of EUR 5.27 (28.8.2024)

Details of the share

Company: Multitude SE
 ISIN: MT0002810100
 WKN: A40G1Q
 Ticker: E4I
 Mkt Cap: EUR 114m

Share price performance (12 M)



Current Analyst views of the share

Multitude



Broker	Target Prices (EUR)				Recommendations			
	Current	Previous	Change	Up-/Downside	Current	Previous	Change	Last Update
mwb research	13.20	13.20	0.0%	148.1%	Buy	Buy	No	2024-08-22
NuWays	12.00	12.00	0.0%	125.6%	Buy	Buy	No	2024-08-23
Pareto Securities	5.20	5.20	0.0%	-2.3%	Buy	Hold	Yes	2024-03-14
Warburg Research	8.50	8.50	0.0%	59.8%	Buy	Buy	No	2024-08-28

■ >10% upside
 ■ 10% upside to 10% downside
 ■ >10% downside

Number of Estimates	4	
Highest	13.20	148.1%
Consensus	9.73	82.9%
Median	10.25	92.7%
Lowest	5.20	-2.3%

Financial overview: Strong performance continues

MULTITUDE

in EURm	H1 2024	H1 2023*	%/pp change
Interest income	128.8	110.1	17.0
Interest expense	(18.7)	(8.8)	111.4
Net interest income	110.2	101.3	8.8
Fair value and foreign exchange gains and losses	(1.2)	(2.6)	-52.1
Other income	0.3	0.2	49.6
Loss for the period from investment in associates	(0.2)	-	-
Net operating income	109.1	98.9	10.3
Operating expenses:			
Impairment loss on loans to customers	(52.1)	(42.2)	23.4
Personnel expense	(18.9)	(16.8)	12.4
General and administrative expense	(16.5)	(15.5)	6.8
Depreciation and amortisation	(6.5)	(7.6)	-14.7
Selling and marketing expense	(6.7)	(7.2)	-6.4
Profit before income tax	8.4	9.7	-13.0
Income tax expense	(1.2)	(2.1)	-44.1
Profit for the period	7.3	7.6	-4.5
One-off finance expense adjustment	1.4	-	-
Profit for the period adjusted	8.7	7.6	14.5

Strong business performance in challenging environment:

- Revenue grew by 17.0% to EUR 128.8m
- Net interest income increased by 8.8% after increased interest expenses (out of which EUR 1.4m are of one-off nature)
- Provisions for impairment losses increased driven by significant business volume growth, and due to elevated credit losses in some markets - mitigation actions ongoing, improvement visible in Q2
- Personnel expenses somewhat elevated due general cost pressure and to new hires related to new initiatives
- Operating expenses remain well under control
- 34.5% growth in EBIT to EUR 28.3m
- Net profit at EUR 7.3m slightly below H1 2023 level, but EUR 1m above 2023 level adjusted for EUR 1.4m bond related one-off expenses
- EPS stood at EUR 0.20 per share during H1 2024

Balance sheet: Assets in line with business growth and performance

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in EURm	Jun 2024	Dec 2023	% change
Cash and cash equivalents	219.0	283.7	-22.8
Derivative financial assets	0.1	0.3	-80.7
Loans to customers	593.7	575.9	3.1
Debt investments	103.3	62.1	66.3
Current tax assets	2.4	1.8	29.7
Other financial assets	20.5	19.4	5.4
Prepaid expenses and other assets	3.1	2.8	10.8
Intangible assets	31.5	29.5	6.8
Right-of-use assets	3.9	4.8	-18.9
Property, plant and equipment	2.6	2.9	-9.6
Investments accounted for using the equity method	0.9	1.0	-14.9
Deferred tax assets	5.9	6.5	-8.6
Total assets	986.8	990.9	-0.4

Asset movements:

- Cash level actively reduced due to higher deposit interest costs. Cash stood at EUR 219.0m in H1 2024
- Loan portfolio and investments increased from EUR 638m in December 2023 to EUR 697m in 30 June 2024 (9.2% growth)
- Portfolio increased by EUR 140m compared to H1 2023 (+25.1%)
- Total assets stable at EUR 987m

Balance sheet: Liabilities and shareholders' equity

in EURm	Jun 2024	Dec 2023	% change
Equity			
Share capital	40.2	40.1	0.1
Treasury shares	(0.1)	(0.1)	43.4
Retained earnings	88.0	87.3	0.8
Unrestricted equity reserve	14.7	14.7	-0.4
Perpetual bonds	45.0	45.0	0.0
Translation differences	(3.6)	(3.4)	5.0
Total equity	184.2	183.6	0.3
Liabilities			
Derivative financial liabilities	1.9	5.3	-64.8
Deposits from customers	678.3	732.3	-7.4
Current tax liabilities	0.6	2.3	-75.6
Provisions, accruals and other liabilities	17.4	13.4	30.2
Debt securities	99.2	47.8	107.5
Lease liabilities	4.1	5.0	-17.3
Deferred tax liabilities	1.2	1.2	6.3
Total liabilities	802.7	807.2	-0.6
Total equity and liabilities	986.9	990.9	-0.4

Movements in liabilities and shareholders' equity:

- Equity of the group increased slightly to EUR 184.2m
- ND/E 3.17
- Net Equity Ratio 24.0%
- 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. As of 30 June 2024, EUR 24.2 million was redeemed. Meanwhile, the old bond has been repaid in full. Issuing related one-off cost 2.8m, out of which 1.2m in Q2. Interest rate cost of new instrument ca 100bp below old instrument.
- Deposits reduced actively to EUR 678.3m, but remain the main source of funding

Segment view – business unit performance

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in EURm	Consumer banking			SME banking			Wholesale banking			Group		
	H1 2024	H1 2023	% change	H1 2024	H1 2023	% change	H1 2024	H1 2023	% change	H1 2024	H1 2023	% change
Interest income	107.6	97.1	10.9	16.0	11.2	43.7	5.1	1.8	182.3	128.8	110.1	17.0
Interest income share,%	83.5	88.3	-5.4	12.4	10.2	21.6	3.7	1.6	131.3	100.0	100.0	-
Interest expense	(12.6)	(6.6)	90.0	(3.7)	(1.9)	96.3	(2.4)	(0.4)	589.0	(18.7)	(8.8)	111.4
Net interest income	95.1	90.5	5.1	12.4	9.3	33.1	2.7	1.5	83.9	110.2	101.3	8.8
Fair value and foreign exchange gains and losses	(1.0)	(2.1)	-54.3	(0.3)	(0.5)	-41.8	-	-	-	(1.2)	(2.6)	-52.1
Loss for the period from investment in associates	-	-	-	-	-	-	(0.2)	-	-	(0.2)	-	-
Net operating income	94.1	88.6	6.3	12.4	8.8	40.0	2.5	1.5	71.0	109.1	98.9	10.3
Impairment loss on loans to customers	(44.0)	(39.7)	10.6	(8.0)	(2.5)	224.3	(0.1)	-	-	(52.1)	(42.2)	23.4
Operating expenses	(35.3)	(37.8)	-6.8	(10.8)	(7.7)	41.7	(2.5)	(1.5)	62.9	(48.6)	(47.0)	3.3
Profit before income tax	14.9	11.0	35.8	(6.4)	(1.3)	397.9	(0.1)	0.0	163.2	8.4	9.7	-13.0
Loans to customers	462.8	427.4	8.3	130.2	91.0	43.0	0.7	0.1	397.9	593.7	518.6	14.5
Debt investments	-	-	-	-	-	-	103.3	38.4	169.1	103.3	38.4	169.1



- Strong growth in revenue (+10.9%)
- Very satisfactory credit loss performance with significant improvement during Q2
- Continues to deliver excellent profitability level



- Strong growth in revenue (+43.7%)
- 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

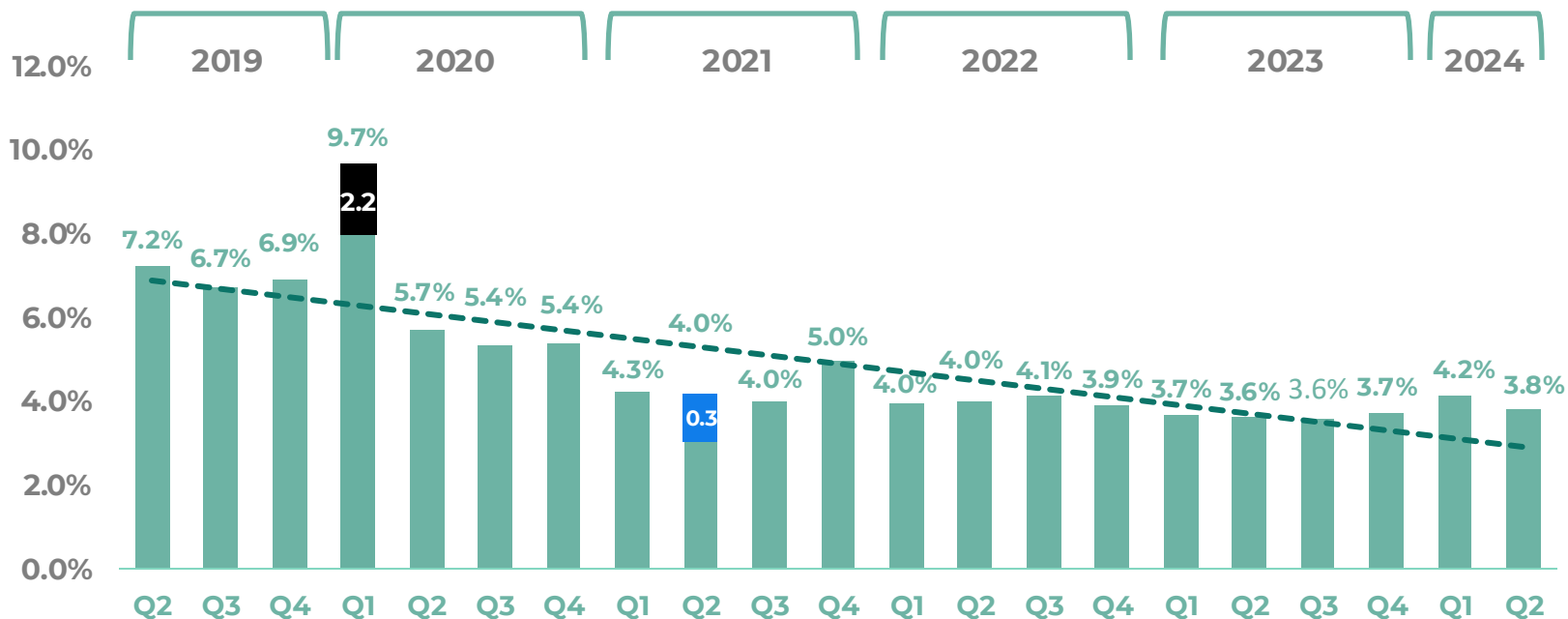


- Strong growth in revenue (+182.3%) and strong financial performance
- Business unit is at its early stages and has massive opportunities

Strong asset quality

- impairment losses remain around 4%

Impairment losses / NAR



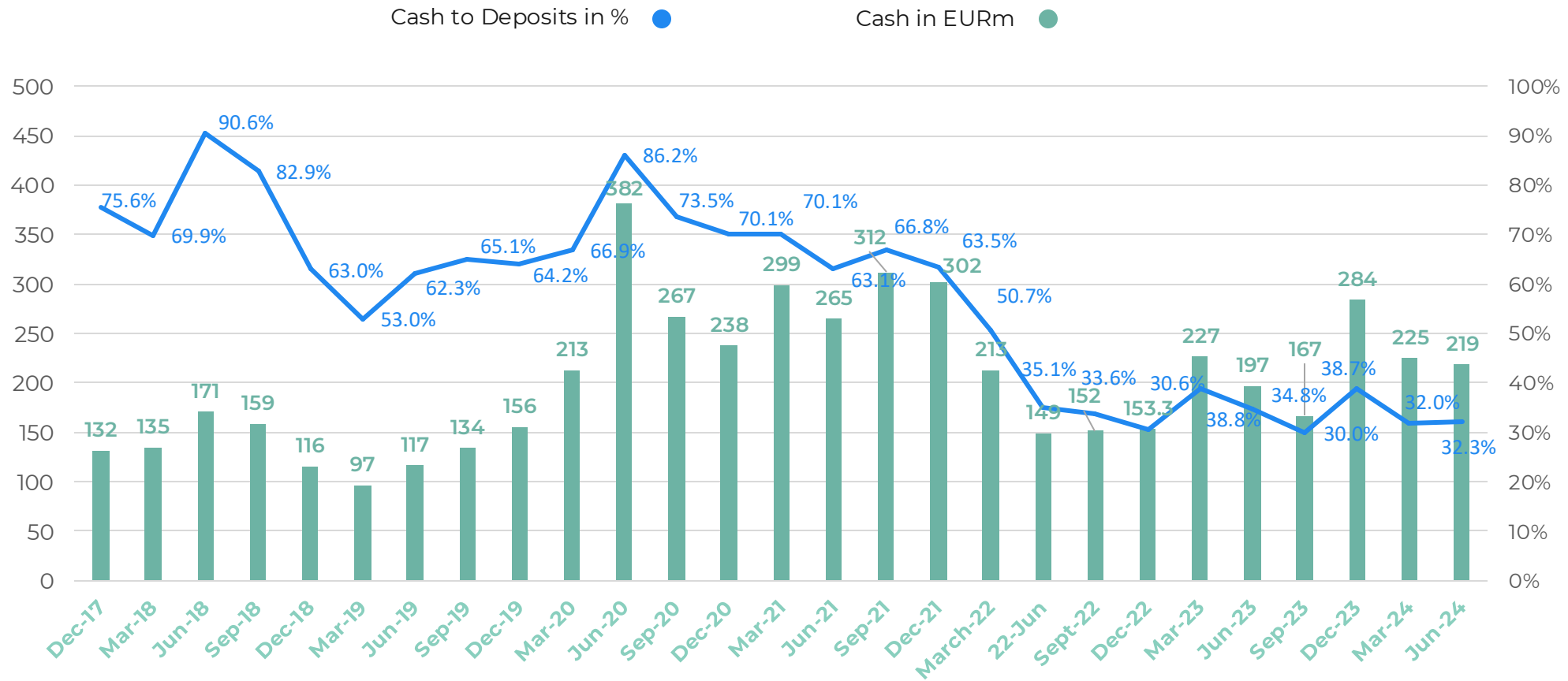
- EUR 7.8 million COVID-19 related impairment charge of in Q1 2020
- EUR 1.4 million positive impact of macroeconomic variables in Q2 2021

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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
- Actions taken during Q2 yielding positive results

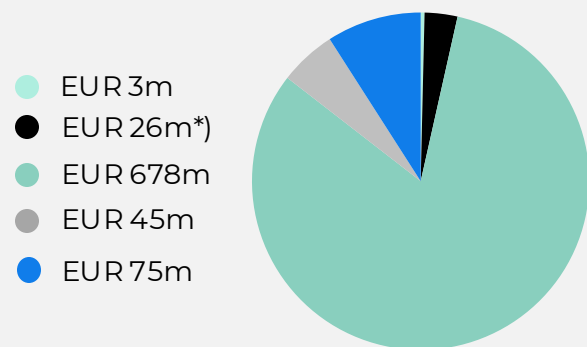
15 *Credit losses do not include collection costs for comparative purposes. Net AR ("NAR") incl. Loans to customers and Debt investments



- Cash base within long-term target level corridor
- More than 40% of deposits have a residual maturity of more than 1 year
- Highly granular customer base

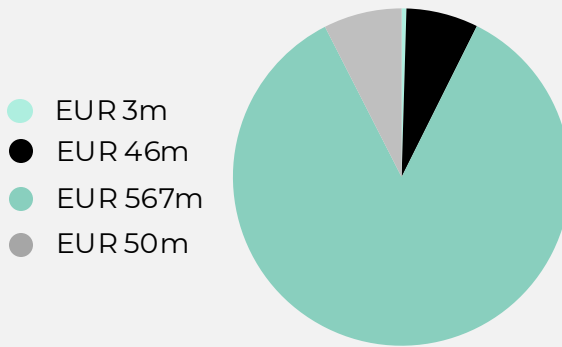
Funding structure and cost of debt capital

Financing mix at 30 June 24



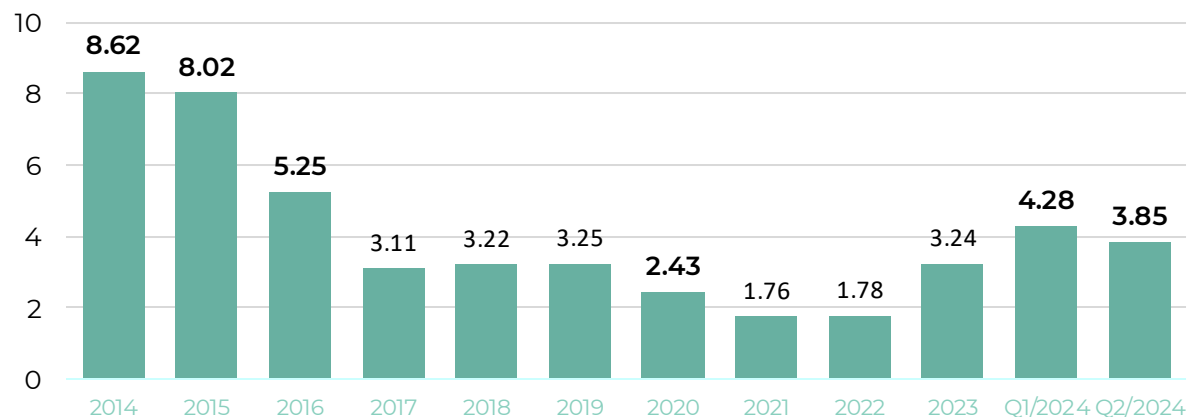
*) to be repaid on 8th July 2024

Financing mix at 30 June 23



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

Cost of debt 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 SE
- Weighted average cost of debt funding stabilized
- Opportunistic Debt Capital Markets transactions constantly assessed

Q&A



Thank you!

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MULTITUDE SE

UDE
dependencies

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STORIES
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