MULTITUDE

Q1 2025 REPORT

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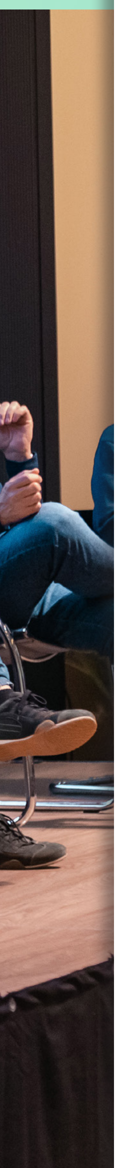
Interim Board of Directors' Report Q1 2025

Multitude AG in Brief

Multitude is a listed European FinTech company offering digital lending and online banking services to consumers, small and medium-sized enterprises (SMEs), and other FinTechs overlooked by traditional banks. With over 400,000 customers, we serve individuals and businesses that may not meet the stringent criteria of conventional banks or struggle to access financial services due to gaps in risk assessment tools. Many traditional financial providers, whether legacy banks or emerging neo-banks, lack the experience and technology to effectively assess these underserved segments. As a result, these individuals and businesses face significant challenges in accessing essential financial services. At Multitude, we bridge this gap by offering innovative, inclusive financial products that meet the unique needs of our customers. Through a robust combination of advanced credit risk scoring and a fully digital, customer-centric approach, Multitude is uniquely positioned to provide accessible and life-changing financial solutions.



COMPANY FACTS

We provide our services via our three business units operating in Consumer Banking through the Ferratum brand, SME Banking through CapitalBox and Wholesale Banking through the Multitude Bank brand.

Full European banking licence	Founded in Finland in 2005	Listed on the Frankfurt Stock Exchange

Multitude AG is listed on the Prime Standard segment of the Frankfurt Stock Exchange under the ticker symbol "MULT". This follows the ultimate parent company's relocation to Switzerland, after previously being listed as "E4I" while domiciled in Malta and "FRU" when based in Finland.

€263.7m	400K+	700+	17
2024 Group Revenue	Customers	Employees	Countries

Our Group employs over 700 people and provides services in 17 countries. The Group comprises Multitude Bank p.l.c., a fully licensed subsidiary regulated by the Malta Financial Services Authority (MFSA). This license empowers us to offer a comprehensive suite of financial products and services to customers throughout the European Economic Area (EEA), enabling us to effectively serve a diverse and dynamic European customer base with local expertise and cross-border capabilities.

Our Strategy

To achieve our mission and long-term vision, Multitude's growth strategy is built on three strategic pillars: organic growth, partnerships, and mergers and acquisitions (M&A).

Organic growth is driven by continued investment in technology, automation, and data-driven decision-making. We focus on enhancing customer experience, broadening our product offering, and expanding into new markets. Improved scalability, cost efficiency, and innovation are central to our organic development efforts. The Wholesale Banking business unit is expected to play a key role in driving organic growth.

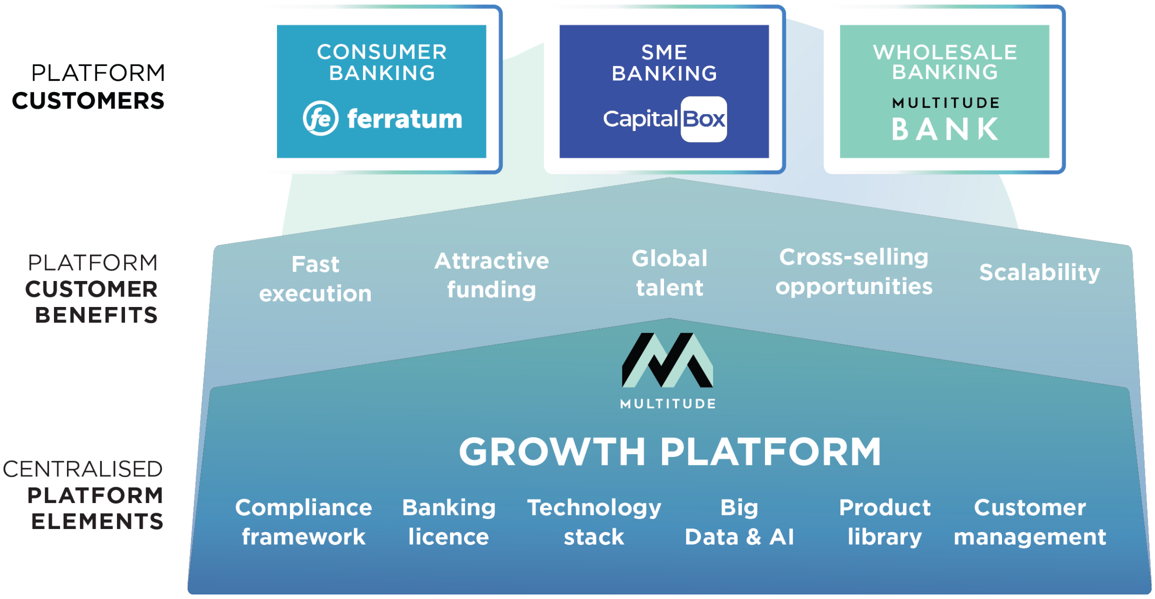
The partnerships pillar enables us to broaden our reach and enhance our value proposition. Through strategic collaboration with distribution networks, technology providers, and institutional partners, we access new customer channels, expand our product offering, and integrate financial services into broader ecosystems. These alliances support the development of embedded finance solutions and unlock opportunities to deliver greater value across markets.

M&A pillar supports our ambition to accelerate growth by entering new geographies, acquiring complementary capabilities, and expanding our customer base. The Group pursues strategic acquisitions that align with its platform model and long-term financial goals.

Multitude growth platform

Our growth platform is the core driver of our ambition, supporting scalability through cloud-native infrastructure, automated processes, and real-time monitoring. Developed by our internal team and select partners, it provides a solid foundation for growth and innovation.

We have created proprietary data and credit scoring algorithms that enable instant, digital credit decisions. Combined with extensive global regulatory experience, our technology offers a significant competitive advantage, enabling risk-assessed scoring at unmatched scale.



Q1 2025 in Brief

Key Highlights

- Group revenue increased by 4.1% to EUR 66.8 million y-o-y
- Group impairment loss on loans to customers decreased by 21.5% to EUR 22.2 million y-o-y
- Group net profit increased by 180.6% to EUR 7.2 million y-o-y
- In February and March 2025, Multitude Bank increased its ownership in Lea Bank AB to 24.49% through additional stake acquisitions
- Since stepping into the role of CEO on 1 January 2025, Antti Kumpulainen has been actively driving Multitude Group's strategic priorities and operational execution

ferratum

Business unit: Consumer Banking

The Consumer Banking business unit offers three products - Instalment Loans (including Micro Loan, Plus Loan and Prime Loan), Credit Limit, and Credit Card - designed to address diverse and immediate financial needs. These products are tailored to help individuals manage unplanned, short-term expenses arising from unexpected life events. Applying for any of the loans is simple and requires only minimal data entry from the customer. The rest is handled by the business unit's AI-powered scoring algorithms, which are developed in-house. This fully digital, automated process ensures that applications are completed and scored within minutes, with approved loan amounts typically deposited into the customer's bank account in less than 15 minutes.

At the end of Q1 2025, the Consumer Banking business unit operated in 14 markets: Bulgaria, Croatia, Czechia, Denmark, Estonia, Finland, Germany, Latvia, the Netherlands, Norway, Poland, Romania, Slovenia, and Sweden.

Instalment loans

Micro Loan

Micro Loans, also known as bullet loans, provide instant, short-term financing with quick repayment. They range from EUR 25 to EUR 1,000, which customers pay back in one instalment within 7 to 60 days.

Plus Loan

A Plus Loan caters to a customer's higher need for instant finance. Loan amounts range from EUR 300 to EUR 4,000, with maturity periods of 2 to 18 months and repayment in equal instalments over the loan term.

Prime Loan

Prime Loans are longer-term instalment loans for consumers that enable higher purchases, like home renovations, cars and other more significant purchases. Loans can amount to EUR 12,000 with loan maturities ranging between 1 and 7 years.

Revolving loans

Credit Limit

Credit Limit, Consumer Banking's most popular product, is a revolving line of credit that offers ongoing financial flexibility. Eligible customers are pre-approved for up to EUR 5,000 and can withdraw money and repay without fixed amounts or timelines.

Credit Card

The Credit Card, a Mastercard® without annual or monthly fees, allows financing purchases of up to EUR 8,000. The card offers free liability coverage for purchases made with it and up to a 60-day interest-free period. Customers can also use the card as a flexible credit facility by withdrawing money from it directly into their bank account, a feature that is growing in popularity among customers.

Q1 2025 highlights

Consumer Banking remains focused on sustaining its momentum through consistently executing its established strategies and maintaining a robust portfolio.

In the first three months of 2025, Ferratum's financial performance has been strong. Revenue remained essentially on the same level. Whilst interest income decreased by 4.1% (EUR 2.2 million), from EUR 54.1 million in Q1 2024 to EUR 51.9 million in Q1 2025, this was offset by a significant increase in fee and commission income from partnerships (EUR 1.9 million). The amount of loans to customers increased by 8.3% from EUR 465.1 million at the end of Q1 2024 to EUR 503.9 million at the end of Q1 2025. Despite the organic growth of the portfolio, a 21.3% decrease in impairment losses on loans to customers - from EUR 24.2 million in Q1 2024 to EUR 19.1 million in Q1 2025 - was primarily driven by the key corporate initiative launched in 2024 to reduce credit losses.

During Q1 2025, Consumer Banking delivered strong profit performance, achieving a notable increase in profit before income taxes. A major milestone was the successful launch of its credit card offering in the German market, expanding business unit's footprint and diversifying its consumer product portfolio. The first quarter also marked significant progress in technological innovation, with the rollout of conversational bots and an AI-based income verification solution designed to enhance both customer experience and internal decision-making processes. In line with its broader strategic vision, Ferratum continued to evolve its operating model, placing greater emphasis on automation and artificial intelligence to drive operational efficiency and long-term scalability.

Outlook

Ferratum continues to strengthen growth by leveraging user data and targeted digital marketing, while focusing on higher-margin markets and expanding its product offering. The business remains committed to improving operational efficiency through its scalable model, supporting both performance and momentum.

Business unit: SME Banking

The SME Banking business unit provides essential financial solutions to SMEs through its Credit Lines and Instalment Loans under the CapitalBox brand. Its secured and unsecured products support SMEs in every growth stage, from managing working capital to funding investments and expanding their operations.

Funds can be made available to SMEs within minutes after the application approval through a streamlined, fully digitalised process. This speed and efficiency positions SME Banking as the perfect ally for meeting short-term business financing requirements. Powered by advanced technology, experience, and Multitude's internal growth platform resources, the business unit delivers a swift and dependable offering.

SME Banking operates in five markets: Finland, Sweden, Denmark, Lithuania, and the Netherlands, offering five distinct products.

Instalment Loans

One of SME Banking's key offerings is its Instalment Loan, which which is offered through both unsecured (up to EUR 350,000) and secured (up to EUR 3 million) facilities. These loans come with flexible repayment periods spanning from 6 to 48 months. They are tailored to assist SMEs in funding operations such as simple inventory management, marketing efforts, hiring new personnel, investments and acquiring or leasing equipment. On average, businesses borrow around EUR 27,000 (unsecured loans) with a typical duration of 27 months.

Secured Loan

The Secured Loan is designed to support larger investments to drive growth for SMEs, addressing a gap in the industry where smaller FinTech firms might lack capacity, and traditional banks might choose not to provide secured loans. The business unit is one of the only players in the market who can offer loans up to EUR 3 million for SMEs while keeping digital and streamlined processes.

Credit Line

The Credit Line is a dynamic form of financing that grants SMEs access to a credit limit ranging from EUR 2,000 to EUR 150,000. The credit can be given in minutes through a digital application and used by the customer when finances are needed for everyday operations. Additionally, CapitaBox collaborates with retail partners to offer financing solutions to their business customers, enabling them to make financed purchases right at the point of sale.

Invoice Purchasing

In 2024, SME Banking acquired Omniveta in Denmark and launched a fully digital invoice purchasing solution for SMEs. The business now offers non-recourse financing on invoices with due periods ranging from 8 to 120 days, and discount rates starting at just 1.45%. More than EUR 30 million in invoices were financed in 2024, and the product is currently being rolled out in the Netherlands and Finland, with plans to expand to additional markets.

Purchase Finance (BNPL)
SME Banking introduced a tailored Purchase Financing or Buy Now, Pay Later (BNPL) product explicitly designed for SMEs. This financial solution provides businesses flexible access to up to EUR 20,000 in funding without collateral for up to 36 months. Currently available in Finland and Sweden, the product is strategically designed to help SMEs manage cash flow effectively, allowing them to invest in growth opportunities and finance purchases without relying on their daily capital or experiencing immediate financial strain.

Q1 2025 highlights

CapitalBox continued on a strong growth trajectory, with revenue and portfolio increasing steadily, underpinned by ongoing enhancements in sales processes. Credit loss performance improved significantly, reflecting the effectiveness of strengthened risk management practices and the adoption of AI-powered decisioning tools.

Operational efficiency also progressed, supported by the introduction of AI-driven invoice scraping within the factoring business. Early traction remains modest however, the underlying infrastructure is now in place as the product line expands into the Netherlands and Finland.

During Q1 2025, SME Banking's loan portfolio grew by 16.9%, rising from EUR 123.3 million at the end of Q1 2024 to EUR 144.1 million. Interest income increased by 11.4% (EUR 0.9 million), reaching EUR 8.6 million, supported by continued investment in the expanding loan book. Impairment loss improved in year-on-year comparison from EUR 4.0 million in Q1 2024 to EUR 2.5 million in Q1 2025.

Outlook

Looking ahead, CapitalBox continues to maintain its focus on three core strategic growth drivers: organic growth, strategic partnerships, and selective M&A opportunities. These pillars remain central to scaling the business sustainably and expanding its market presence across Europe. On the product side, the business will continue to prioritise the expansion of secured lending solutions. This includes further scaling of factoring services, now supported by AI-enabled invoice processing and the continued rollout of real estate secured loans across all active markets. These products are designed to meet the evolving needs of SMEs by offering more flexible, asset-backed financing options that support liquidity and growth.

MULTITUDE BANK

Business unit: Wholesale Banking

Wholesale Banking is a highly adaptable business unit operating within Multitude Bank's broader infrastructure. It focuses on delivering high-impact, institutional-grade solutions through two core offerings: Secured Debt and Payment Solutions. Wholesale Banking addresses more complex financing needs where agility and bespoke structuring set it apart in a competitive market.

Target customers – Institutions seeking bespoke financial solutions

Wholesale Banking serves a diverse institutional client base, including mid-sized to larger corporations, FinTechs, and payment institutions. These clients seek specialised solutions that address complex secured financing or payment processing needs. The business unit's approach focuses on tailored, high-quality outcomes, ensuring clients can operate and grow with confidence.

Secured Debt Solutions - Tailored financing backed by expertise
Secured Debt Solutions specialise in originating and executing sophisticated, tailored transactions, focusing on niche opportunities that others may hesitate to pursue. Leveraging nearly two decades of expertise and advanced analytics, the unit ensures stringent risk management and reliable growth for institutions looking to capitalise on strategic opportunities. With an emphasis on smart risk rather than volume, this approach fosters high-value partnerships grounded in flexibility and execution. Secured Debt Solutions utilises institutional-grade funding backed by a rigorous underwriting process and advanced risk management tools, providing capital against diversified loan portfolios or other collateral. Continuous asset performance oversight ensures security and flexibility, optimising credit risk while unlocking growth potential. Secured Debt is composed of corporate loans and debt investments (investments in issued bonds).

Payment Solutions – Institutional infrastructure for modern finance
Payment Solutions offer institutional clients a seamless and secure infrastructure for transaction processing and financial operations. With a deep understanding of the evolving payment landscape, the unit provides end-to-end solutions that enable efficient transaction processing and support long-term growth and operational efficiency for financial institutions.

Q1 2025 highlights

The Wholesale Banking business unit continued to expand across both the Secured Debt and Payment Solutions segments, making solid progress through focused execution and strategic enhancements. The implementation of AI-driven productivity levers is already delivering tangible results, with automated data enrichment in client onboarding and AI-supported credit decisioning models significantly improving origination quality and accelerating speed-to-market.

Sales presence across the Nordics has been expanded through the operational ramp-up of local offices, enabling faster and more targeted client coverage. This strengthens Wholesale Banking's position in key regional markets and supports its long-term growth strategy.

The investment portfolio remains well protected, with credit facilities consistently backed by collateral. In parallel, fee income from the payments business has begun to gain traction, performing in line with budget expectations. As of Q1 2025, fee and commission income reached EUR 0.5 million, reflecting growing utilisation of embedded financial services by the customer base.

For Q1 2025, Wholesale Banking's financial results have shown further growth of portfolio. The combined portfolio of loans to customers and debt investments expanded by 100.0% year-on-year, growing from EUR 69.2 million at the end of Q1 2024 to EUR 138.5 million at the end of Q1 2025. As a result, interest income showed 68.9% growth (EUR 1.6 million) from EUR 2.3 million in Q1 2024 to EUR 3.9 million in Q1 2025. The business unit assumed a more cautious attitude towards credit risk and increased its provisions for performing customers, which led to impairment loss of EUR 0.6 million in Q1 2025.

Outlook

Wholesale Banking remains focused on executing its 2025 strategic priorities. The unit is progressing well in closing its robust pipeline of secured debt transactions, reinforcing its position in institutional lending. To drive scalability and efficiency, the business continues to enhance its underwriting processes through automation, data-driven AI, and advanced risk analytics. In parallel, the payments business is gaining momentum, with new institutional clients successfully onboarded, further expanding the unit's reach and solidifying its role as a key infrastructure provider for payment and transaction services.

Key figures and ratios

EUR '000	Q1 2025	Q1 2024
Net interest income	54,094	55,594
Net fee and commission income	1,933	11
Profit before income taxes	8,298	2,996
Profit for the period	7,233	2,578
Net cash flows from / (used in) operating activities	70,697	(53,066)
Net cash flows (used in) investing activities	(16,519)	(3,448)
Net cash flows from / (used in) financing activities	22,052	(2,064)
Net increase / (decrease) in cash and cash equivalents	76,230	(58,578)

EUR '000	31 March 2025	31 December 2024
Loans to customers	664,808	649,928
Debt investments	121,733	112,554
Deposits from customers	887,867	800,805
Cash and cash equivalents	325,991	249,458
Non-current assets	390,125	370,461
Current assets	833,239	728,270
Total assets	1,223,364	1,098,731
Non-current liabilities	328,966	344,364
Current liabilities	693,751	560,614
Total liabilities	1,022,717	904,978
Total equity	200,647	193,753

Alternative performance measures

Pursuant to Article 16 of Regulation 1095 / 2010 / EU, the European Securities and Markets Authority (ESMA) has issued specific guidelines on the presentation criteria for Alternative Performance Measures (APMs) included by European issuers in regulated information, where such measures are not defined or provided for in the rules on financial reporting.

According to the definition provided in the ESMA Guidelines, an APM is a financial measure of historical or future financial performance, financial position, or cash flows, other than a financial measure defined or specified in the applicable financial reporting framework. APMs are typically based on financial statement line items prepared in accordance with applicable financial reporting rules. What sets them apart is that APMs are not defined in the financial reporting framework, yet their use is still widespread, with the role of conveying a view of the Group's performance that is closer to the Leadership Team's perspective than would be possible using only the defined measures.

With the conclusion of the Group's profit before interest expense and taxes (EBIT) guidance framework for 2024, the Group has ceased to present EBIT as an APM.

The Group presents the impaired loan coverage ratio, equity ratio, net equity ratio, and net debt-to-equity ratio as APMs. These indicators provide valuable insights into the financial health of the Group beyond the standard IFRS measures. The impaired loan coverage ratio, for instance, is used to assess the Group's ability to cover impaired loans through provisions, reflecting credit risk management efficiency. The net equity ratio is vital in evaluating the capital structure and financial stability of the Group, as well as compliance with bond covenant used in capital management. Meanwhile, the net debt-to-equity ratio offers insight into the Group's leverage and its ability to meet long-term obligations. These additional financial ratios are presented because they provide stakeholders with further clarity on the Group's financial performance, particularly in areas not fully captured by the IFRS metrics alone, enhancing decision-making and comparability over time.

Key financial ratios	31 March 2025	31 December 2024
Impaired loan coverage ratio (%) =	18.7	17.6
Equity ratio (%) =	16.4	17.6
Net debt to equity ratio =	3.47	3.38
Net equity ratio (%) =	25.4	23.2

Calculation of key financial ratios			31 March 2025	31 December 2024
Impaired loan coverage ratio (%) =	100x	Credit loss allowance	153,001	138,600
		Gross loans to customers	817,809	788,528
Equity ratio (%) =	100x	Total equity	200,647	193,753
		Total assets	1,223,364	1,098,731
Net debt to equity ratio =		Total liabilities – cash and cash equivalents	1,022,717 - 325,991	904,978 - 249,458
		Total equity	200,647	193,753
Net equity ratio (%) =	100x	Total equity + Tier 2	227,926	196,753
		Total assets – cash and cash equivalents	1,223,364 - 325,991	1,098,731 - 249,458

In this regard, the APM presented is complementary to the measures defined within the International Financial Reporting Standards (IFRS) Accounting Standards. The figures and inputs used in the derivation of the said APM are based on presentation and / or disclosure requirements emanating from the IFRS Conceptual Framework and include reconciliation items from such presentation / disclosures of financial statements.

Key developments and progress in Q1 2025

Financial overview

Statement of profit or loss:

The Group delivered strong financial performance in Q1 2025. Especially, net fee and commission income and operating expenses displayed positive dynamic in comparison to Q1 2024. In Q1 2025, the Group reported a profit of EUR 7.2 million (Q1 2024: EUR 2.6 million), reflecting an increase of EUR 4.6 million compared to Q1 2024. This was primarily driven by the lower impairment loss on loans to customers.

Interest income increased slightly to EUR 64.4 million in Q1 2025, up from EUR 64.2 million in Q1 2024. Loans to customers remained the primary source of interest income, contributing 93.4% of the total in Q1 2025, compared to 94.0% in Q1 2024. Specifically, interest income from loans to customers amounted to EUR 60.2 million in Q1 2025 (Q1 2024: EUR 60.3 million). The stability in interest income reflects the Group's focus on optimising its portfolio structure and building a resilient, long-term revenue stream from diversified sources.

As a result of ongoing diversification efforts, fee and commission income rose to EUR 2.4 million in Q1 2025, primarily driven by brokerage services provided on behalf of a partner company. Initiated in second half of 2024, these services are managed by the Consumer Banking business unit and carry no credit risk assumed for the Group.

The Group's share of results of associates improved significantly, transitioning from a loss of EUR 0.1 million in Q1 2024 to a profit of EUR 0.5 million in Q1 2025. This turnaround was primarily driven by the recent acquisition of shares in Lea Bank AB, while the investment in Sortter reached breakeven during the period. The overall improvements reflect stronger performance across the associate portfolio, contributing to the Group's consolidated profitability.

Impairment losses declined significantly by 21.5%, representing a reduction of EUR 6.1 million compared to Q1 2024. This decrease reflects an overall improvement in portfolio credit quality and a more favourable risk environment.

In Q1 2025, the Group's interest expense totalled EUR 10.3 million (Q1 2024: EUR 8.6 million), an increase of EUR 1.7 million. This increase was driven by higher costs on both debt securities and customer deposits, which rose by EUR 1.0 million and EUR 0.6 million, respectively. The rise in interest expense reflects both the overall growth of the portfolio and the impact of higher market interest rates.

Selling and marketing expense remained stable at EUR 3.3 million in Q1 2025. The only notable increase within operating expenses was in general and administrative expense, which rose from EUR 8.2 million in Q1 2024 to EUR 9.5 million in Q1 2025. Approximately, half of the increase was attributable to additional contributions to the depositor compensation scheme. Meanwhile, the Group reported a slight decrease in its personnel expense which amounted to EUR 9.2 million in Q1 2025 (Q1 2024: EUR 9.4 million). Wages and salaries represented the largest portion, amounting to EUR 7.4 million in Q1 2025 compared to EUR 7.6 million in Q1 2024.

In Q1 2025, the depreciation and amortisation declined by EUR 0.2 million as compared to the same period last year. This reduction was primarily driven by lower amortisation of intangible assets, as several items, most notably system features introduced in 2018 and 2019 for the mobile banking app, were fully amortised during 2024. While amortisation on these assets has ended, the software remains in active use and continues to deliver economic value to the Group.

The increase in the profit resulted in a positive impact on basic earnings per share which increased from EUR 0.07 per share in Q1 2024 to EUR 0.28 per share in Q1 2025. The Group applied 12.8% effective tax rate in Q1 2025 (Q1 2024: 14.0% and full year 2024: 13.0%).

Statement of financial position:

Assets

Total assets increased by 11.3% (EUR 124.6 million), rising from EUR 1,098.7 million at the end of 2024 to EUR 1,223.4 million at the end of Q1 2025. This was mainly driven by the increase in cash and cash equivalents by EUR 76.5 million to EUR 326.0 million (31 December 2024: EUR 249.5 million). An increase in cash reserves was required to fund additional investments in Wholesale Banking. Organic growth of loans to customers brought an additional EUR 14.9 million, raising the portfolio from EUR 649.9 million at the end of 2024 to EUR 664.8 million at the end of Q1 2025. Also, the Consumer Banking business unit acquired additional equity stakes in Lea Bank AB. As a result of acquisition of 14.59% of Lea Bank AB by Consumer Banking business unit in Q1 2025, the stake of the Group increased to 24.49% at the end of Q1 2025. As a result, the investment in associate line item increased by EUR 14.9 million. The investment is accounted for by using the equity method.

The Wholesale Banking business unit made additional investments through a debt-asset securitisation deal involving a bond issued by an unconsolidated special purpose vehicle. This investment is reported within the debt investments line item in the consolidated statement of financial position. As a result, debt investments increased by EUR 9.2 million, rising from EUR 112.6 million at the end of 2024 to EUR 121.7 million at the end of Q1 2025.

The impaired loan coverage ratio increased by 1.1 percentage points, rising from 17.6% at the end of 2024 to 18.7% at the end of Q1 2025. The increase in loss allowance was primarily driven by targeted growth initiatives, coupled with expectations of softening repayment performance among clients.

Liabilities

Total liabilities grew by 13.0% (EUR 117.7 million), from EUR 905.0 million at the end of 2024 to EUR 1,022.7 million at the end of Q1 2025. This increase was driven by a 10.9% rise in customer deposits (EUR 87.1 million), reaching EUR 887.9 million, and a 33.0% increase in issued debt securities (EUR 25.3 million), reaching EUR 102.2 million. The increase in debt securities reflects the issuance of new Tier 2 bonds by Multitude Bank p.l.c. in March 2025.

Equity
Total equity rose by 3.6% (EUR 6.9 million), increasing from EUR 193.8 million at the end of 2024 to EUR 200.6 million at the end of Q1 2025. The net equity ratio increased by 2.2 percentage points from 23.2% at the end of 2024 to 25.4% at the end of Q1 2025 and the net debt to equity ratio increased from 3.38 to 3.47. Issuance of Tier 2 instrument by Multitude Bank contributed roughly 2.0 percentage points to the improvement of net equity ratio.

Changes in the Group structure
The Group implemented the following changes to its entities in Q1 2025:

- During Q1 2025, Suomen Joustava Oy and Ferratum Latvia SIA were disposed.
- The Group has successfully increased its stake in Lea Bank AB by 14.59%, bringing its total stake to 24.49% as of the end of Q1 2025.

Events occurring after the reporting period

After 31 March 2025, the Group acquired an additional stake of 0.50% stake of Lea Bank AB which increased the total stake from 24.49% as of 31 March 2025 to 24.99% as of the date of this report.

On 13 May 2025, Multitude AG held its Annual General Meeting (AGM) at the offices of Lenz & Staehelin, Brandschenkestrasse 24, 8027 Zurich, Switzerland. Key decisions made at the AGM included the approval of the Consolidated Financial Statements for 2024; the acceptance of the Auditors' Reports; the introduction of a Capital Band; and the appropriation of available earnings, along with the approval of dividend distribution.

Treasury update

By the end of Q1 2025, Multitude's cash position stood at EUR 326.0 million. A significant portion of this amount is invested in short-term deposits with other banks, hereby generating additional interest income.

In February 2025, Fitch Ratings affirmed Multitude AG's and its operating bank Multitude Bank p.l.c.'s Long-Term Issuer Default Ratings (IDRs) at 'B+' with Positive Outlooks. Multitude's senior unsecured notes have been affirmed at 'B+' with a Recovery Rating of 'RR4' and its subordinated hybrid perpetual capital notes at 'B-'/'RR6'.

In March 2025, Multitude Bank p.l.c. successfully launched the issue of EUR 25.0 million Floating Rate Callable Tier 2 Notes Due 2035 (ISIN: DE000A4D58U2). The Notes were priced at 99% of their aggregate principal amount and the coupon is 3-month Euribor plus margin of 11.0% per annum. The proceeds from the offering further strengthen the Bank's capital base and its Tier 2 capital requirements under Regulation (EU) No 575/2013 (CRR).

Personnel update

The average number of employees in Q1 2025 is 798 (Q1 2024 – 750) with related personnel expense amounting to EUR 9.2 million (Q1 2024 – EUR 9.4 million).

Leadership Changes:
Mr. Clemens Krause, Chief Risk Officer, retired on 31 March 2025 after serving the Group since 2012. Mr. Adam Jezierski was appointed Chief Credit Risk Officer and joined the Leadership Team on 3 February 2025, succeeding Mr. Krause. Mr. Lasse Mäkelä, Chief Strategy and Investor Relations

Officer, ended his role within the Group. On 1 February 2025, Mr. Goutam Challagalla, Member of the Board of Directors of Multitude AG, stepped down from his role.

Risk factors and risk management

Multitude takes moderate and calculated risks in conducting its business. The prudent management of risks minimises the probability of unexpected losses and threats to our reputation. Therefore, we can enhance profitability and shareholder value.

The Leadership Team and business unit CEOs monitor operations regularly and are responsible for adequate risk management and ensuring that the Group is able to control and monitor its risks. Each Leadership Team member bears responsibility for identifying and controlling the risks related to their functions in line with instructions from the Board.

The Board is ultimately responsible for, among other things, overseeing the Group's risk management through its Risk Committee that proactively follows all legal regulations, monitor changes that might occur in the countries we operate in, and adjust operations where necessary.

The Group's risk exposures can be divided into three main categories:

1. Credit risks (mainly loans to customers and debt investments)

1.1 Consumer Banking and SME Banking
Exposure to credit risks arises principally from the Group's lending activities. The credit risk is managed by experienced risk teams from the Risk Management function, which manage the Group's scoring system and credit policies. The Risk Management function is also responsible for the measurement of the payment behaviour of the credit portfolio on a daily, weekly, and monthly basis. This is done through proprietary risk management tools, which assist Group companies in evaluating the customer's payment behaviour. These tools, which are continuously updated and refined, ensure that only customers with a satisfactory credit profile are accepted.

1.2 Wholesale Banking
The Group is also exposed to credit risk arising from its exposure to debt investments. The debt investments mainly reflect the Group's acquisition of secured bonds. Such bonds are mainly secured either by loan portfolios or real estate, which are pledged in favour of Multitude Bank p.l.c., and are subject to a number of covenants including predetermined ratios of ageing portfolios and advance rates and Loan to Values. Such covenants are monitored regularly by our Leadership Team and the relevant Committees.

2. Market and liquidity risks (including foreign exchange risk, interest rate risk and other price risks)
Multitude uses foreign currency forward contracts to hedge foreign transaction risk exposures. Market risks arise from open positions in the interest rate and products in foreign currency. They are managed by the Group's Treasury function, in close cooperation with FP&A, which is also responsible for the Group's cash flow planning and to ensure the necessary liquidity level for all Group companies.

3. Operational risks (such as IT risk, legal and regulatory risk and other operational risks)
The Group's Legal function manages regulatory and legal risks in close cooperation with the authorities in the respective countries and relevant stakeholders. Potential or foreseeable changes in applicable laws are analysed on an ongoing basis and any necessary modifications to the Group's operations are implemented proactively.

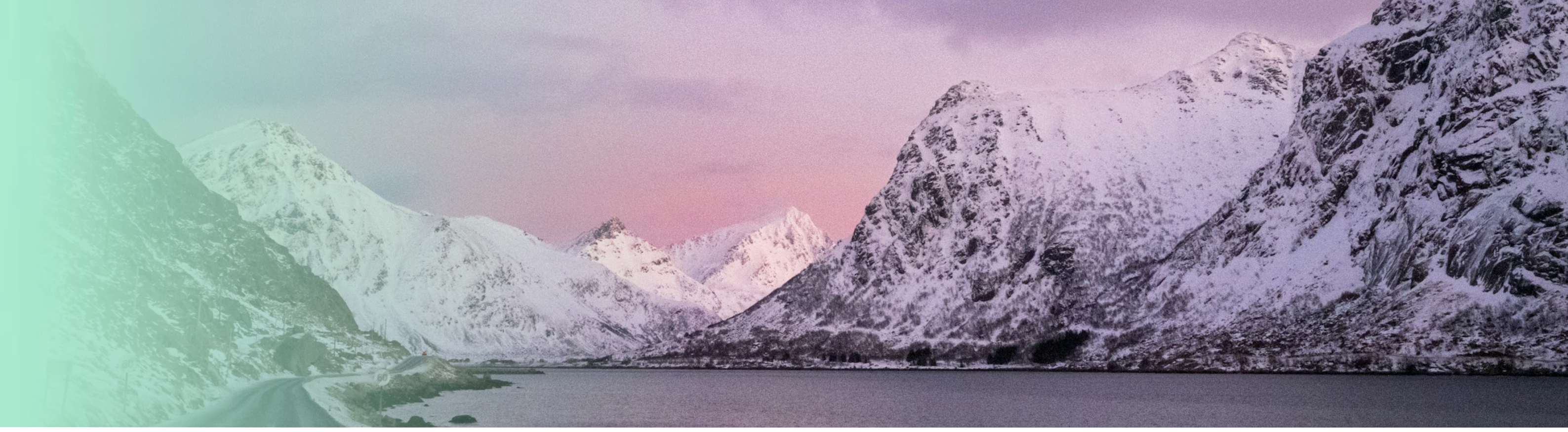
Unaudited condensed consolidated interim financial statements Q1 2025

Condensed consolidated statement of profit or loss

EUR '000	Notes	Q1 2025	Q1 2024
Interest income	5	64,411	64,174
Interest expense	5	(10,317)	(8,580)
Net interest income		54,094	55,594
Fee and commission income	6	2,395	11
Fee and commission expense	6	(462)	-
Net fee and commission income		1,933	11
Fair value and foreign exchange gains and losses (net)	7	(698)	(36)
Other income	8	2	13
Share of results of associates		527	(36)
Net operating income		55,858	55,546
Operating expenses:			
Impairment loss on loans to customers	9, 13	(22,184)	(28,276)
General and administrative expense	9	(9,491)	(8,202)
Personnel expense	9	(9,237)	(9,383)
Selling and marketing expense	9	(3,327)	(3,305)
Depreciation and amortisation	9	(3,178)	(3,384)
Other expense	8	(143)	-
Profit before income taxes		**8,298**	**2,996**
Income tax expense	10	(1,065)	(418)
Profit for the period		**7,233**	**2,578**
Attributable to:			
Owners of the parent company		7,233	2,578
Non-controlling interests		-	-
Earnings per share:			
Basic earnings per share, EUR	**11**	**0.28**	**0.07**
Diluted earnings per share, EUR	**11**	**0.27**	**0.07**

Condensed consolidated statement of comprehensive income

EUR '000	Q1 2025	Q1 2024
Profit for the period	**7,233**	**2,578**
Other comprehensive income / (loss):		
Items that may be reclassified to profit or loss		
Exchange differences on translation of foreign operations	1,225	(298)
Total other comprehensive income / (loss)	**1,225**	**(298)**
Total comprehensive income for the period	**8,458**	**2,280**
Attributable to:		
Owners of the parent company	8,458	2,280
Non-controlling interests	-	-



Condensed consolidated statement of financial position

EUR '000	Notes	31 March 2025	31 December 2024
ASSETS			
Cash and cash equivalents	14	325,991	249,458
Derivative financial assets	14	-	53
Loans to customers	13, 14	664,808	649,928
Debt investments	14	121,733	112,554
Other financial assets	14	37,321	27,104
Current tax assets		1,540	1,437
Prepaid expenses and other assets		1,517	2,514
Intangible assets		33,714	32,916
Right-of-use assets		4,414	4,948
Property, plant and equipment		2,512	2,606
Investments in associates		24,104	9,209
Deferred tax assets		5,710	6,004
Total assets		**1,223,364**	**1,098,731**
EQUITY AND LIABILITIES			
Liabilities:			
Derivative financial liabilities	14	572	735
Deposits from customers	14	887,867	800,805
Current tax liabilities		1,486	1,125
Debt securities	14	102,191	76,850
Lease liabilities	14	4,507	5,138
Other financial liabilities	14	20,197	14,168
Other liabilities		4,700	4,960
Deferred tax liabilities		1,197	1,197
Total liabilities		**1,022,717**	**904,978**
Equity:			
Share capital		40,189	40,189
Treasury shares		(1,531)	(946)
Retained earnings		104,465	98,216
Unrestricted equity reserve		14,653	14,653
Translation differences		(2,160)	(3,390)
Other reserves		31	31
Total equity attributable to the owners of the parent company		**155,647**	**148,753**
Perpetual bonds		45,000	45,000
Non-controlling interests		-	-
Total equity		**200,647**	**193,753**
Total equity and liabilities		**1,223,364**	**1,098,731**

Condensed consolidated statement of cash flows

EUR '000	Q1 2025	Q1 2024
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit for the period	**7,233**	**2,578**
Adjustments for:		
Impairment loss on loans to customers	22,184	28,276
Depreciation and amortisation	3,178	3,384
Net interest income	(54,094)	(55,594)
Fair value and foreign exchange gains and losses (net)	698	36
Income tax expense	1,065	418
Other adjustments	(237)	260
Changes in operating assets:		
Increase (-) in gross loans to customers	(36,545)	(41,566)
Increase (-) in debt investments	(9,530)	(6,329)
Increase (-) in derivative financial instruments (net)	(110)	(4,071)
Increase (-) in other assets	(9,387)	(2,133)
Changes in operating liabilities:		
Increase (+) / decrease (-) in deposits from customers	87,062	(28,966)
Increase (+) in other liabilities	5,138	621
Interest paid	(8,330)	(6,525)
Interest received	62,778	56,853
Income taxes paid	(406)	(308)
Net cash flows from / (used in) operating activities	**70,697**	**(53,066)**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of tangible assets	(46)	(90)
Purchase of intangible assets	(3,114)	(3,358)
Purchase of investments in associates	(13,359)	-
Net cash flows (used in) investing activities	**(16,519)**	**(3,448)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Payment of perpetual bonds interests	(1,496)	(1,352)
Proceeds from debt securities	24,903	-
Repayment of lease liabilities	(712)	(712)
Purchase of treasury shares	(643)	-
Net cash flows from / (used in) financing activities	**22,052**	**(2,064)**
Cash and cash equivalents, at the start of the period	**249,458**	**283,712**
Exchange gains / (losses) on cash and cash equivalents	303	(101)
Net increase / (decrease) in cash and cash equivalents	**76,230**	**(58,578)**
Cash and cash equivalents, as at 31 March	**325,991**	**225,033**

Condensed consolidated statement of changes in equity

EUR '000	Share capital	Treasury shares	Retained earnings	Perpetual bonds	Unrestricted equity reserve	Translation differences	Other reserves	Non-controlling interests	Total equity
At 1 January 2024	**40,134**	**(103)**	**87,258**	**45,000**	**14,708**	**(3,382)**	**31**	**-**	**183,646**
Comprehensive income:									
Profit for the period	-	-	2,578	-	-	-	-	-	2,578
Exchange differences on translation of foreign operations	-	-	-	-	-	(298)	-	-	(298)
Total comprehensive income for the period	-	-	2,578	-	-	(298)	-	-	2,280
Transactions with owners:									
Perpetual bonds interests payments (net of tax)	-	-	(1,027)	-	-	-	-	-	(1,027)
Share-based payments	-	24	309	-	-	-	-	-	333
Total transactions with owners	-	24	(718)	-	-	-	-	-	(694)
At 31 March 2024	**40,134**	**(79)**	**89,118**	**45,000**	**14,708**	**(3,680)**	**31**	**-**	**185,232**
At 1 January 2024	**40,134**	**(103)**	**87,258**	**45,000**	**14,708**	**(3,382)**	**31**	**-**	**183,646**
Comprehensive income:									
Profit for the period	-	-	20,234	-	-	-	-	-	20,234
Exchange differences on translation of foreign operations	-	-	-	-	-	(8)	-	-	(8)
Total comprehensive income for the period	-	-	20,234	-	-	(8)	-	-	20,226
Transactions with owners:									
Perpetual bonds interests payments (net of tax)	-	-	(5,968)	-	-	-	-	-	(5,968)
Issue of treasury shares under share-based payment plan	-	85	(85)	-	-	-	-	-	-
Share-based payments	-	-	893	-	-	-	-	-	893
Dividend distribution	-	-	(4,116)	-	-	-	-	-	(4,116)
Purchase of treasury shares	-	(928)	-	-	-	-	-	-	(928)
Increase in share capital	56	-	-	-	(56)	-	-	-	-
Total transactions with owners	56	(843)	(9,276)	-	(56)	-	-	-	(10,119)
At 31 December 2024	**40,189**	**(946)**	**98,216**	**45,000**	**14,653**	**(3,390)**	**31**	**-**	**193,753**
At 1 January 2025	**40,189**	**(946)**	**98,216**	**45,000**	**14,653**	**(3,390)**	**31**	**-**	**193,753**
Comprehensive income:									
Profit for the period	-	-	7,233	-	-	-	-	-	7,233
Exchange differences on translation of foreign operations	-	-	-	-	-	1,230	-	-	1,230
Total comprehensive income for the period	-	-	7,233	-	-	1,230	-	-	8,463
Transactions with owners:									
Perpetual bonds interests payments (net of tax)	-	-	(1,197)	-	-	-	-	-	(1,197)
Share-based payments	-	58	213	-	-	-	-	-	271
Purchase of treasury shares	-	(643)	-	-	-	-	-	-	(643)
Total transactions with owners	-	(585)	(984)	-	-	-	-	-	(1,569)
At 31 March 2025	**40,189**	**(1,531)**	**104,465**	**45,000**	**14,653**	**(2,160)**	**31**	**-**	**200,647**

Notes to condensed consolidated interim financial statements

1. General information

In this report, "Multitude", "the Group", "company", and "we" are used interchangeably. Multitude is a listed European FinTech company offering digital lending and online banking services to consumers, small and medium-sized enterprises (SMEs), and other FinTechs overlooked by traditional banks. We provide services through three business units supported by our growth platform. The ultimate parent company, Multitude AG (registration number CHE-445.352.012), was established in 2005. Up until 30 June 2024, its registered address was located at Ratamestarinkatu 11 A, 00520 Helsinki, Finland. From 1 July 2024 until 30 December 2024, the parent company's registered address was located at ST Business Centre 120, The Strand, Gzira, Malta. As of 30 December 2024, the parent company is registered in Switzerland at Grafenauweg 8, 6300 Zug, Switzerland.

Multitude AG is listed on the Prime Standard of the Frankfurt Stock Exchange. Previously, it was traded under the ticker symbol "FRU". As of 30 June 2024, Multitude AG's ticker symbol was changed to "E4I" and on 30 December 2024 to "MULT". The Group includes Multitude Bank p.l.c., licensed by the Malta Financial Services Authority (MFSA), which is a significant part of the Group, and allows it to provide financial services and products to the European Economic Area.

1.1 Significant changes in the current reporting period

Placing of EUR 25 million floating rate callable Tier 2 Notes

In March 2025, Multitude Bank p.l.c. successfully launched the issue of EUR 25.0 million Floating Rate Callable Tier 2 Notes Due 2035 (ISIN: DE000A4D58U2).

Acquisition of additional equity in Lea Bank AB

In January 2025, the Group applied for the approval of the Swedish Financial Supervisory Authority to acquire an additional stake in Lea Bank AB. This was subsequently approved by the authority and the Group acquired 6.39% in several transactions during the following months. After the end of 2024, the Group acquired a total of 15.09% stake (including the committed amount) which increased the total stake to 24.99% as of the date of approval of this report.

All-Employees Shareholder Programme

In February 2025, Multitude launched its second All-Employees Shareholder Programme, following the success of the first, where all eligible employees are entitled to receive 50 free Multitude shares this year. The aggregate maximum number of shares granted to employees is 26,900. A total of 491 participants took the opportunity to join the All-Employees Shareholder Programme, and the company distributed 24,550 shares.

2. Summary of material accounting policies

2.1 Basis of preparation

This condensed consolidated interim financial report for the three-month reporting period ended 31 March 2025 has been prepared in accordance with IAS 34 Interim Financial Reporting. The interim report does not include all the notes of the type normally included in an annual financial report. Accordingly, this report is to be read in conjunction with the annual report for the year ended 31 December 2024 and any public announcements made by Multitude during the interim reporting period.

The condensed consolidated interim financial statements have been prepared on a historical cost basis, except for derivative financial instruments which are measured at fair value through profit or loss (FVPL). The condensed consolidated interim financial statements are presented in thousand Euros ("EUR 000"). Figures in the financial statements, including subtotals and totals, may not sum precisely due to rounding. Multitude has applied similar accounting judgements, estimates, and assumptions for this interim report as those included in the annual report for the year ended 31 December 2024. The Group has prepared its condensed consolidated interim financial statements on the basis that it will continue to operate as a going concern.

2.2 Statement of compliance

The condensed consolidated interim financial statements of the Group have been prepared in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board (IASB) and adopted by the European Union.

2.3 Presentation of financial statements

The Group presents its statement of financial position in order of liquidity based on Multitude's 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 12.

2.4 New standards and amendments

This note provides a summary of (a) new standards and amendments that are effective for the first time for periods commencing on or after 1 January 2025 (i.e. year ending 31 December 2025) (b) IFRS Interpretations Committee agenda decisions issued in the last three months and (c) forthcoming requirements, being standards and amendments that will become effective on or after 1 January 2026.

(a) New standards and amendments – applicable 1 January 2025. The following amendment applies for the first time to financial reporting periods commencing on or after 1 January 2025:

Title	Key requirements if relevant
Lack of exchangeability – Amendments to IAS 21	Not relevant. Multitude does not operate in countries with foreign currencies that lack exchangeability to the presentation currency of the Group.

(b) IFRS Interpretations Committee agenda decisions issued in the last three months, the following agenda decision was issued but not relevant for the preparation of reports in 2025. The date issued refers to the date of approval by the IASB as per the IASB's website.

Date issued	Topic
3 February 2025	Classification of Cash Flows related to Variation Margin Calls on 'Collateralised-to-Market' Contracts (IAS 7).

(c) Forthcoming requirements. As at 31 March 2025, the following standards and amendments had been issued but were not mandatory for annual reporting periods ending on 31 December 2025.

Title	Key requirements if relevant	Effective Date
Amendment to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity	Not relevant. Multitude does not have contracts referencing nature-dependent electricity.	1 January 2026
Amendment to IFRS 9 and IFRS 7 - Classification and Measurement of Financial Instruments	1. Derecognition of Financial Liabilities (IFRS 9) Electronic Transfers: Relevant. Allows entities to derecognise a financial liability settled through electronic payment systems before the settlement date if certain specific criteria are met. The option must be applied consistently to all such transactions. 2. Classification of Financial Assets (IFRS 9) Basic Lending Arrangement: Relevant. Provides guidance on assessing whether contractual cash flows align with a basic lending arrangement, with added examples for clarity. Non-Recourse Features: Relevant. Clarifies that a financial asset has non-recourse features if cash flows are limited to those generated by specific assets. Contractually Linked Instruments: Not relevant. Multitude does not have performance-linked contractual arrangements. 3. Disclosure Requirements (IFRS 7) Equity Investments at Fair Value. Not relevant because Multitude does not have equity instruments held at fair value through profit or loss. Contingent Contractual Terms: Relevant. Mandates disclosure of contractual terms that could alter cash flows based on contingent events, covering financial assets and liabilities at amortised cost or fair value.	1 January 2026
IFRS 18 Presentation and Disclosure in Financial Statements	Relevant. 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.	1 January 2027
IFRS 19 Subsidiaries without Public Accountability: Disclosures	Not relevant. Multitude, as a group of companies that prepares a comprehensive set of consolidated financial statements, is not impacted by the changes in IFRS 19, as it is not a subsidiary of another entity.	1 January 2027

The IFRS 18 is expected to have a material impact on the future financial statements of the Group, introducing significant changes to the presentation and recognition of income and other financial elements within the primary statements. In addition to IFRS 18, the Group is actively working on assessing and implementing all forthcoming IFRS Accounting Standards. We are conducting detailed analyses to evaluate the implications of these standards on our financial reporting processes and developing comprehensive implementation plans.

The Group remains committed to ensuring full compliance with all applicable IFRS requirements by the respective effective dates and will continue to monitor guidance and updates to be fully prepared for their adoption.

3. Changes in Group companies

During Q1 2025, the following changes to the Group structure occurred:

- Suomen Joustava Oy and Ferratum Latvia SIA were disposed. These disposals were not classified as discontinued operations.
- The Group increased its stake in Lea Bank AB by 14.59%, bringing its total stake to 24.49% as of the end of Q1 2025. Investment is classified as investment in associates accounted for by using equity method.

4. Segment information

Multitude has three business units, Consumer Banking (under Ferratum brand), SME Banking (under CapitalBox brand) and Wholesale Banking (under Multitude Bank brand), which are considered operating and reportable segments within the definition described in IFRS 8. Multitude Bank is a regulatory service provider for each business unit within the Group. The Chief Operating Decision Maker (CODM) is defined as the Group CEO supported by business unit CEOs. The measurement principles and allocation between business units follow the information provided to the CODM as required by IFRS 8.

The CODM monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and performance assessment. The performance of the business units is evaluated using various key indicators and is consistently reconciled with the profit before income taxes stated in the consolidated financial statements. Profit before income taxes serves as the primary measure of the profitability of these business units.

Consumer Banking

Consumer Banking offers digital loans for individuals' daily needs, such as unplanned, short-term financing needs resulting from unexpected life events. By the end of Q1 2025, it offered three product categories: Instalment Loans (including Micro Loan, Plus Loan and Prime Loan), Credit Limit, and Credit Card. The business unit's operations spanned across 14 markets: Bulgaria, Croatia, Czechia, Denmark, Estonia, Finland, Germany, Latvia, the Netherlands, Norway, Poland, Romania, Slovenia and Sweden.

SME Banking

SME Banking provides financing solutions to small and medium-sized enterprises (SMEs). By the end of Q1 2025, it had established five distinct products: Instalment Loans, Invoice Purchasing, Credit Lines, Secured Loans, and Purchase Financing (BNPL). It operates in five markets: Finland, Sweden, Denmark, Lithuania, and the Netherlands.

Wholesale Banking

Wholesale Banking is Multitude's newest business unit and it operates under the Multitude Bank brand. It focuses on delivering high-impact, institutional-grade solutions through two core offerings: Secured Debt and Payment Solutions. Wholesale Banking offers all the necessary elements for successful end-to-end payment operations for other banks, payment institutions and electronic money institutions. This Payment Solutions product supports core payment processes and serves as a reliable daily business support or a fallback option for managing payment rails, facilitating receiving and making payments, and managing accounts efficiently.

The results of operations from the Group's operating and reportable segments for the current period Q1 2025 and comparable period Q1 2024 are shown in the following tables.

Operating and reportable segments for Q1 2025

EUR '000	Consumer Banking	SME Banking	Wholesale Banking	Total
Interest income	51,890	8,605	3,916	64,411
Interest expense	(6,441)	(1,850)	(2,026)	(10,317)
Net interest income	**45,449**	**6,755**	**1,890**	**54,094**
Fee and commission income	1,900	2	493	2,395
Fee and commission expense	(462)	-	-	(462)
Net fee and commission income	**1,438**	**2**	**493**	**1,933**
Fair value and foreign exchange gains and losses (net)	(542)	(156)	-	(698)
Other income	2	-	-	2
Share of results of associates	477	-	50	527
Net operating income	**46,824**	**6,601**	**2,433**	**55,858**
Operating expenses:				
Impairment loss on loans to customers	(19,081)	(2,533)	(570)	(22,184)
General and administrative expense	(7,441)	(1,386)	(664)	(9,491)
Personnel expense	(6,634)	(1,864)	(739)	(9,237)
Selling and marketing expense	(2,153)	(1,117)	(57)	(3,327)
Depreciation and amortisation	(2,730)	(335)	(113)	(3,178)
Other expense	(143)	-	-	(143)
Profit / (loss) before income taxes	**8,642**	**(634)**	**290**	**8,298**
Loans to customers, 31 March 2025	**503,909**	**144,139**	**16,760**	**664,808**
Debt investments, 31 March 2025	**-**	**-**	**121,733**	**121,733**

Operating and reportable segments for Q1 2024

EUR '000	Consumer Banking	SME Banking	Wholesale Banking	Total
Interest income	54,131	7,724	2,319	64,174
Interest expense	(5,952)	(1,634)	(994)	(8,580)
Net interest income	48,179	6,090	1,325	55,594
Fee and commission income	**11**	**-**	**-**	**11**
Fair value and foreign exchange gains and losses (net)	(29)	(7)	-	(36)
Other income	11	2	-	13
Share of results of associates	-	-	(36)	(36)
Net operating income	**48,172**	**6,085**	**1,289**	**55,546**
Operating expenses:				
Impairment loss on loans to customers	(24,232)	(3,977)	(67)	(28,276)
General and administrative expense	(6,140)	(1,593)	(469)	(8,202)
Personnel expense	(6,606)	(2,174)	(603)	(9,383)
Selling and marketing expense	(2,157)	(1,123)	(25)	(3,305)
Depreciation and amortisation	(2,979)	(322)	(83)	(3,384)
Profit / (loss) before income taxes	**6,058**	**(3,104)**	**42**	**2,996**
Loans to customers, 31 March 2024	**465,123**	**123,327**	**788**	**589,238**
Debt investments, 31 March 2024	**-**	**-**	**68,442**	**68,442**

5. Interest income and expense

Interest income is the main income from the Group's operations, and hence it is disaggregated into categories for analysis purposes based on the source asset types.

Interest income

EUR '000	Q1 2025	Q1 2024
Interest income on loans to customers	60,157	60,296
Interest income on debt investments	3,778	2,190
Interest income on bank deposits	476	1,688
Total interest income	**64,411**	**64,174**

The Group analyses interest income by type and geographic market, representing how economic factors impact nature, amount, timing, uncertainty, and cash flows of the above income streams. Interest income is displayed by geographic region for the current and comparative periods, as follows:

Interest income by geographic market

EUR '000	Q1 2025	Q1 2024
Country of domicile - Switzerland*	-	-
Northern Europe	29,343	27,036
Eastern Europe	22,877	22,515
Western Europe	11,915	14,456
Other	276	167
Total interest income	**64,411**	**64,174**

* The country of domicile was changed to Malta since 1 July 2024. On 30 December 2024, it was subsequently changed to Switzerland.

A breakdown of interest expense by type for the current reporting period and comparative period is presented in the table below.

Interest expense

EUR '000	Q1 2025	Q1 2024
Interest expense on deposits from customers	(7,841)	(5,126)
Interest expense on debt securities	(2,267)	(3,365)
Interest expense on lease liabilities	(103)	(89)
Interest expense on other financial liabilities*	(106)	-
Total interest expense	**(10,317)**	**(8,580)**

* Interest expense on other financial liabilities arise from funds received as deposit collateral.

6. Fee and commission income and expense

Fee and commission income

EUR '000	Q1 2025	Q1 2024
Brokerage fee	1,894	-
Other fee and commission income	501	11
Total fee and commission income	**2,395**	**11**

There are no contract assets and liabilities relating to fee and commission income as at 31 March 2025 and 31 December 2024. There are no significant payment terms concerning fee and commission income and no discounting to present value is applied.

The Group analyses fee income by type and geographic market, representing how economic factors impact nature, amount, timing, uncertainty, and cash flows of the above income streams. Fee income is displayed by geographic region for the current and comparative periods, as follows:

Fee and commission income by geographic market

EUR '000	Q1 2025	Q1 2024
Country of domicile - Switzerland*	-	-
Eastern Europe	1,894	-
Western Europe	493	-
Northern Europe	8	11
Total fee and commission income	**2,395**	**11**

* The country of domicile was changed to Malta since 1 July 2024. On 30 December 2024, it was subsequently changed to Switzerland.

Fee and commission expense

EUR '000	Q1 2025	Q1 2024
Brokerage fee expense	(462)	-
Total fee and commission expense	**(462)**	**-**

Brokerage fee expense represents direct cost of services provided in determination of net fee and commission income.

7. Fair value and foreign exchange gains and losses (net)

EUR '000	Q1 2025	Q1 2024
Realised foreign exchange (loss)	(580)	(355)
Unrealised foreign exchange gain	579	709
Realised (loss) on derivative financial assets and liabilities	(1,000)	(2,247)
Unrealised gain on derivative financial assets and liabilities	303	1,857
Total fair value and foreign exchange gains and losses (net)	**(698)**	**(36)**

Most of the foreign exchange impact on the statement of profit and loss is generated by Swedish Krona monetary items on the statement of financial position of Group companies. The impact is mitigated by the utilisation of foreign exchange forward contracts presented as part of derivative financial instruments.

8. Other income and expense

EUR '000	Q1 2025	Q1 2024
OTHER INCOME:		
Gain from cancellation of lease	2	1
Other income	-	12
Total other income	**2**	**13**
OTHER EXPENSE:		
Loss on disposal of subsidiaries	(139)	-
Loss on disposal of property, plant and equipment	(4)	-
Total other expense	**(143)**	**-**

9. Operating expenses

The Group presents an analysis of the operating expenses by their nature for the current financial period and the comparative period in the table below:

EUR '000	Q1 2025	Q1 2024
Impairment loss on loans to customers	(22,184)	(28,276)
General and administrative expense	(9,491)	(8,202)
Personnel expense	(9,237)	(9,383)
Selling and marketing expense	(3,327)	(3,305)
Depreciation and amortisation	(3,178)	(3,384)
Total operating expenses	**(47,417)**	**(52,550)**

Impairment loss on loans to customers includes EUR 1.2 million of invoicing and collection costs in Q1 2025 (Q1 2024: EUR 0.9 million). The year-on-year decrease in impairment losses is primarily due to the ongoing impact of the key corporate initiative aimed at reducing credit losses, which was implemented in 2024. As part of this initiative, the Group integrated new data sources, introduced enhanced underwriting models, and refined its collection processes. Since then, the financial benefits of these actions have exceeded expectations.

The primary driver of the increase in general and administrative expense was the higher contribution to the depositor compensation scheme, which rose from EUR 0.1 million in Q1 2024 to EUR 0.7 million in Q1 2025.

Personnel expenses recorded a slight decrease, declining from EUR 9.4 million in Q1 2024 to EUR 9.2 million in Q1 2025, primarily due to a reduction in wages and salaries, which fell from EUR 7.6 million to EUR 7.4 million over the same period. At the same time share-based payment expense slightly decreased from EUR 221 thousand in Q1 2024 to EUR 149 thousand in Q1 2025 mainly due to expiration of performance share plan at the end of 2024.

10. Income tax expense

EUR '000	Q1 2025	Q1 2024
Current income tax expense	(768)	(269)
Deferred tax expense	(297)	(149)
Total income tax expense	**(1,065)**	**(418)**

Income tax expense is recognised based on estimate of the weighted average effective annual income tax rate expected for the full financial year. The estimated average annual tax rate for the period ending 31 March 2025 is 12.8% (31 March 2024: 14.0%).

11. Earnings per share

The calculation of earnings per share attributable to the owners of the parent company includes an adjustment for interest paid on perpetual bonds, less the tax benefit on the interest expense, arising from the classification of perpetual bonds as a liability (and the deductibility of the associated interest expense) under Finnish tax regulations. The calculation of basic earnings per share is shown in the table below:

	Q1 2025	Q1 2024
Profit for the period (EUR '000)	7,233	2,578
Perpetual bonds interests recognised directly in retained earnings, net of tax (EUR '000)	(1,197)	(1,027)
Profit for the period, after perpetual bond interests (EUR '000)	6,036	1,551
Weighted average number of ordinary shares in issue (N '000)	21,487	21,645
Basic earnings per share attributable to the ordinary equity holders, EUR	**0.28**	**0.07**

Calculation of diluted earnings per share is shown in the table below.

	Q1 2025	Q1 2024
Profit for the period (EUR '000)	7,233	2,578
Perpetual bonds interests recognised directly in retained earnings, net of tax (EUR '000)	(1,197)	(1,027)
Profit for the period, after perpetual bond interest (EUR '000)	6,036	1,551
Weighted average number of ordinary shares and potential ordinary shares (N '000)	22,461	21,862
Diluted earnings per share attributable to the ordinary equity holders, EUR	**0.27**	**0.07**

Weighted number of ordinary shares is adjusted by weighted number of potential shares derived from matching share plan. Share based payment plan that are currently employed by Multitude do not create obligation to issue new shares and the Group has the right to utilise treasury shares to fulfil its obligations towards participants of the plan.

Calculation of weighted average number of ordinary shares and potential ordinary shares used in determination of basic and diluted earnings per share is shown in the table below.

N '000	Q1 2025	Q1 2024
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	21,487	21,645
Adjustments for calculation of diluted earnings per share:		
- Matching share plan	974	217
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	**22,461**	**21,862**

12. Current and non-current assets and liabilities

Asset and liability line items by amounts recovered or settled within or after one year as at 31 March 2025:

EUR '000	Within one year	After one year	Total as at 31 March 2025
ASSETS:			
Cash and cash equivalents	325,991	-	325,991
Loans to customers	476,537	188,271	664,808
Debt investments	1,795	119,938	121,733
Current tax assets	1,540	-	1,540
Other financial assets	25,859	11,462	37,321
Prepaid expenses and other assets	1,517	-	1,517
Intangible assets	-	33,714	33,714
Right-of-use assets	-	4,414	4,414
Property, plant and equipment	-	2,512	2,512
Investments in associates	-	24,104	24,104
Deferred tax assets	-	5,710	5,710
Total	**833,239**	**390,125**	**1,223,364**
LIABILITIES:			
Derivative financial liabilities	572	-	572
Deposits from customers	669,321	218,546	887,867
Current tax liabilities	1,486	-	1,486
Debt securities	429	101,762	102,191
Lease liabilities	1,785	2,722	4,507
Other financial liabilities	15,497	4,700	20,197
Other liabilities	4,661	39	4,700
Deferred tax liabilities	-	1,197	1,197
Total	**693,751**	**328,966**	**1,022,717**

Asset and liability line items by amounts recovered or settled within or after one year as at 31 December 2024:

EUR '000	Within one year	After one year	Total as at 31 December 2024
ASSETS:			
Cash and cash equivalents	249,458	-	249,458
Derivative financial assets	53	-	53
Loans to customers	457,548	192,380	649,928
Debt investments	1,754	110,800	112,554
Current tax assets	1,437	-	1,437
Other financial assets	15,506	11,598	27,104
Prepaid expenses and other assets	2,514	-	2,514
Intangible assets	-	32,916	32,916
Right-of-use assets	-	4,948	4,948
Property, plant and equipment	-	2,606	2,606
Investments in associates	-	9,209	9,209
Deferred tax assets	-	6,004	6,004
Total	**728,270**	**370,461**	**1,098,731**
LIABILITIES:			
Derivative financial liabilities	735	-	735
Deposits from customers	542,295	258,510	800,805
Current tax liabilities	1,125	-	1,125
Debt securities	211	76,639	76,850
Lease liabilities	1,825	3,313	5,138
Other financial liabilities	9,468	4,700	14,168
Other liabilities	4,955	5	4,960
Deferred tax liabilities	-	1,197	1,197
Total	**560,614**	**344,364**	**904,978**

13. Loans to customers

The expected credit loss (ECL) for loans to customers is determined by projecting the probability of default (PD), estimated exposure at default (EAD), and loss given default (LGD) at a collective portfolio level as allowable under IFRS 9 in the case of retail portfolios comprising individually insignificant exposures that are homogenous in nature. These three components are multiplied together effectively calculating the forward-looking ECL, which is then discounted back to the reporting date. The discount rate used in the ECL calculation is the actual effective interest rate or an approximation thereof.

The 12-month ECL is calculated by multiplying the 12-month PD, LGD, and EAD. Lifetime ECL is calculated on a similar basis for the residual life of the exposure. The PD, EAD and LGD parameters are derived from internally developed statistical models and other historical data, adjusted to reflect forward-looking information as described below in this Note. The PD represents the likelihood of a borrower defaulting on its financial obligation, either over the next 12 months (12M PD), or over the remaining lifetime (Lifetime PD) of the obligation.

In the case of micro lending facilities with bullet repayment characteristics, the Group utilises rollrate methodology in order to estimate its PDs. This methodology employs statistical analysis of historical data and experience of delinquency and default to estimate the amount of loans that will eventually be written off as unrecoverable. This methodology is applied at territory or country level with adaptations to reflect the different nature of the respective markets in which the Group operates. Under this methodology, loans are grouped into ranges according to the number of days past due and statistical analysis is used to estimate the likelihood that loans in each range will progress through the various stages of delinquency and ultimately prove irrecoverable.

In the case of credit facilities with characteristics of instalment loans or revolving facilities, the Group utilises curve-stitching methodology in order to estimate its PDs. Under this approach, an analysis of historical default data is carried out in order to estimate cumulative monthly loss rates at various snapshot dates. Subsequently, statistical analysis is employed in order to combine curves with different historical performance windows into a single PD curve over the expected lifetime of the micro-credit exposures. This methodology is also applied at territory or country level in order to incorporate adaptations to reflect the nature of the different markets in which the Group operates. Under this approach, loans are also grouped into ranges according to the number of days past due, with an individual lifetime PD curve being calculated for each range.

EAD is based on the amounts Multitude expects to be owed at the time of default, over the next 12 months (12M EAD) or over the remaining lifetime (Lifetime EAD). EAD represents the expected exposure in the event of a default (including any expected drawdowns of committed facilities). The 12-month and lifetime EADs are determined based on the total balance of receivable at the reporting date, taking into account the total amount receivable from borrowers inclusive of principal, interest and fees that are accounted for as part of the effective interest rate. This is deemed an adequate representation of the expected balance at default in the case of the Multitude's credit facilities given that the Group models its ECLs on a collective portfolio level with the modelling of the EAD for each future month on an individual loan-by-loan basis not being deemed practical. Additionally, in the case of revolving credit facilities the Group also factors in expected drawdowns of committed facilities.

The LGD represents the Group's expectation of the extent of loss on a defaulted exposure. Hence, the LGD represents expected credit losses on the EAD given the event of default, taking into account, among other attributes, the mitigating effect of collateral values (if any) at the time it is expected to be realised and the time value of money. The LGD is determined based on the factors which impact the recoveries made post default.

Given that its credit facilities are generally unsecured in nature, the Group estimates LGD parameters based on the history of recovery rates in respect of claims against defaulted customers, which rates are highly impacted by collective debt recovery strategies. Moreover, the Group's LGDs comprise the effects of Multitude's ability to dispose of overdue loans originated in specific territories to other parties at pre-established prices, that are dependent on the credit quality or ageing of the loans. Estimated LGDs are also impacted by historical one-off portfolio sales and the expected future uncontracted portfolio sales activity. Recoveries from loan portfolio sales are calculated on a discounted cash flow basis using the contractual interest rate as the discounting factor. The Group has a number of contractual agreements in place with third parties by virtue of which loans which are within the stipulated days past due will be sold to a third party in batch at an agreed price. The Group is also capable of selling loans on the market.

The ECL is measured from the initial recognition of the financial asset. The maximum period considered when measuring ECL (be it 12-month or lifetime ECL) is the maximum contractual period over which Multitude is exposed to credit risk. With respect to non-revolving credit facilities, the contractual life of the facility is considered. In the case of revolving credit facilities, provided that such facilities do not have a fixed term or repayment structure, the Group defines the lifetime of such exposures as 24 months in line with observed borrower behaviour in the respective territories. The lifetime of revolving credit facilities is re-assessed by the Group at a territory level based on more recent borrower behaviour patterns on a periodic basis. The tables below show the Group's gross outstanding loans to customers balances, risk grading, and basis for ECL recognition and measurement, including the movements and balances of loss allowances for loans to customers for the periods presented:

Gross outstanding loans to customers risk grading and basis for ECL recognition

Risk grade	Category	Basis for ECL	Days past due*		UTP	31 March 2025	31 December 2024
			Lower range	Upper range			
Regular	Performing	Stage 1 (12-month ECL)	0 to 30		-	610,915	590,612
Watch	Underperforming	Stage 2 (lifetime ECL)	31 - 45	31 - 60	-	24,912	22,688
Substandard	Underperforming	Stage 2 (lifetime ECL)	46 - 60	61 - 90	-	12,367	13,075
Doubtful	Non-performing	Stage 3 (lifetime ECL)	61 - 180	91 - 180	Yes	29,244	31,557
Loss	Non-performing	Stage 3 (lifetime ECL)	More than 180 days		-	140,371	130,596
Total						**817,809**	**788,528**

*Lower and upper ranges of days past due are based on DPD thresholds of 60 and 90 days, respectively, to be considered as non-performing.

At and for the period ended 31 March 2025:

EUR '000				31 March 2025
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
GROSS LOANS TO CUSTOMERS				
At 1 January 2025	**590,612**	**35,763**	**162,153**	**788,528**
Total changes in gross carrying amounts arising from transfers in stages, originations and derecognitions	28,703	2,029	15,033	45,765
Financial assets written off and sold during the period	-	-	(5,238)	(5,238)
Exchange differences	(8,401)	(513)	(2,332)	(11,246)
Net changes in gross loans to customers	**20,302**	**1,516**	**7,463**	**29,281**
Gross loans to customers as at 31 March 2025	**610,914**	**37,279**	**169,616**	**817,809**
LOSS ALLOWANCES				
At 1 January 2025	**28,761**	**11,626**	**98,213**	**138,600**
Increase in allowances - charged to profit or loss	1,279	444	20,461	22,184
Other movements				
Unwind of discount	-	-	(417)	(417)
Financial assets written off and sold during the period	-	-	(5,238)	(5,238)
Exchange differences	(412)	(165)	(1,549)	(2,126)
Net changes in loss allowances	**867**	**279**	**13,257**	**14,403**
Loss allowance as at 31 March 2025	**29,628**	**11,905**	**111,468**	**153,001**
Impaired loan coverage ratio ("ILCR")	**4.85%**	**31.93%**	**65.72%**	**18.71%**

At and for the period ended 31 March 2024:

EUR '000				31 March 2024
	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
GROSS LOANS TO CUSTOMERS				
At 1 January 2024	**532,234**	**44,264**	**114,119**	**690,617**
Total changes in gross carrying amounts arising from transfers in stages, originations and derecognitions	13,757	1,795	31,656	47,208
Financial assets written off and sold during the period	-	-	(15,843)	(15,843)
Exchange differences	(5,167)	(436)	(1,230)	(6,832)
Net changes in gross loans to customers	**8,590**	**1,359**	**14,584**	**24,533**
Gross loans to customers as at 31 March 2024	**540,824**	**45,623**	**128,703**	**715,150**
LOSS ALLOWANCES				
At 1 January 2024	**31,283**	**14,361**	**69,025**	**114,669**
Increase in allowances - charged to profit or loss	2,214	831	25,231	28,276
Other movements				
Unwind of discount	-	-	(61)	(61)
Financial assets written off and sold during the period	-	-	(15,843)	(15,843)
Exchange differences	(298)	(135)	(696)	(1,129)
Net changes in loss allowances	**1,916**	**696**	**8,631**	**11,243**
Loss allowance as at 31 March 2024	**33,199**	**15,057**	**77,656**	**125,912**
Impaired loan coverage ratio ("ILCR")	**6.14%**	**33.00%**	**60.34%**	**17.61%**

The table below summarises the Group's movements and the balances of loss allowances for loans to customers for the year ended and as at 31 December 2024:

EUR '000	Stage 1 12-month ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
GROSS LOANS TO CUSTOMERS				
As at 1 January 2024	**532,234**	**44,264**	**114,119**	**690,617**
Transfers in between stages:				
Transfers out of Stage 1	(90,694)	20,165	70,529	-
Transfers out of Stage 2	11,217	(41,005)	29,788	-
Transfers out of Stage 3	-	153	(153)	-
Total changes from transfers in between stages	**(79,477)**	**(20,687)**	**100,164**	**-**
Other changes in gross loans to customers:				
New financial assets originated during the period	890,963	42,333	68,604	1,001,900
Financial assets sold and repaid during the period	(747,823)	(29,593)	(110,208)	(887,624)
Financial assets written off during the period	-	-	(9,080)	(9,080)
Exchange differences	(5,285)	(554)	(1,446)	(7,285)
Net changes in gross loans to customers	**58,378**	**(8,501)**	**48,034**	**97,911**
Gross loans to customers as at 31 December 2024	**590,612**	**35,763**	**162,153**	**788,528**
LOSS ALLOWANCES				
Loss allowances, as at 1 January 2024	**31,282**	**14,361**	**69,025**	**114,668**
Transfers in between stages:				
Transfers out of Stage 1	(7,341)	1,564	5,777	-
Increase due to transfers out of Stage 1	-	5,228	27,251	32,479
Transfers out of Stage 2	3,572	(13,372)	9,800	-
(Decrease) / Increase due to transfers out of Stage 2	(2,943)	-	4,633	1,690
Transfers out of Stage 3	-	50	(50)	-
Increase due to changes in DPD buckets	1,299	19	13,097	14,415
Total changes from transfers in between stages	**(5,413)**	**(6,511)**	**60,508**	**48,584**
Other changes in loss allowances:				
New financial assets originated during the period	53,839	14,034	34,718	102,591
Financial assets sold and repaid during the period	(48,929)	(10,329)	(57,801)	(117,059)
Financial assets written off during the period	-	-	(9,080)	(9,080)
Remeasurements from changes in model	(1,653)	240	2,178	765
Unwind of discount	-	-	(378)	(378)
Exchange differences	(365)	(169)	(957)	(1,491)
Net changes in loss allowances	**(2,521)**	**(2,735)**	**29,188**	**23,932**
Loss allowances as at 31 December 2024	**28,761**	**11,626**	**98,213**	**138,600**
Impaired loan coverage ratio ("ILCR")	**4.87%**	**32.51%**	**60.57%**	**17.58%**

Transfers out of Stage 1 are driven by the underlying gross loans to customers to have significant increase in credit risks since initial recognition (Stage 2) or become credit-impaired (Stage 3). In contrast, transfers out of Stages 2 or 3 result from the underlying gross loans to customers no longer meeting said definitions.

Transfers in between Stages or changes within DPD buckets that do not necessarily impact the ECL model stages could also increase (decrease) loss allowances during the year. Remeasurements from changes in ECL model, inputs and assumptions are mainly driven by updating the calculations, statistics and modelling parameters relating to EAD, PD, LGD, and EIR based on the most recent available information at the reporting date. The unwind of discount is driven by the amortisation of the ECL present value for long outstanding loans to customers.

The following table shows the breakdown of movement in loss allowances with reconciliation to profit or loss for 2024:

LOSS ALLOWANCES	Stage 1	Stage 2	Stage 3	Total
Loss allowances as at 1 January 2024	**31,282**	**14,362**	**69,025**	**114,669**
Transfers in between stages:				
Transfers out of Stage 1	(7,341)	1,564	5,777	-
Increase due to transfers out of Stage 1	-	5,228	27,252	32,480
Transfers out of Stage 2	3,572	(13,372)	9,800	-
(Decrease) / Increase due to transfers out of Stage 2	(2,943)	-	4,632	1,689
Transfers out of Stage 3	-	50	(50)	-
Increase due to changes in DPD buckets	1,299	19	13,097	14,415
Total net changes from transfers in between Stages	(5,413)	(6,511)	60,508	48,584
Other changes in loss allowances:				
Net remeasurement of ECLs due to repayments of financial assets	(22,672)	(4,786)	(26,783)	(54,241)
New financial assets originated during the period	53,837	14,035	34,718	102,590
Remeasurements from changes in model	(1,653)	240	2,178	765
Unwind of discount	-	-	(378)	(378)
Exchange differences	(365)	(170)	(957)	(1,492)
Net changes in loss allowances recognised through profit or loss statement	**23,734**	**2,808**	**69,286**	**95,828**
Financial assets sold and repaid during the period	(26,255)	(5,545)	(31,017)	(62,817)
Financial assets written off during the period	-	-	(9,080)	(9,080)
Net changes in loss allowances	(2,521)	(2,737)	29,189	23,931
Loss allowances as at 31 December 2024	**28,761**	**11,625**	**98,214**	**138,600**

Macro-economic variables

The calculation of ECL incorporates forward-looking information. The Group has identified key drivers of credit risk and credit losses for each portfolio of financial instruments and, using historical data, has analysed relationships between macroeconomic variables, credit risk and credit losses. This analysis is conducted at a territory and sub-portfolio level to consider possible differences in customer behaviour and default experience arising from different product characteristics.

To be able to determine the manner in which economic conditions will be impacting the ECL estimates, the Group first performs an assessment to select the Macroeconomic Variable (MEV) which has the highest correlation to credit risk factors for a certain country and product. The Group does this through the implementation of a one-step Error Correction Model (ECM). The ECM is a multiple regression model that automatically corrects short-term deviations from the long-term equilibrium relationship such that the defaulted loan amount is restored back to its long-term equilibrium at a specific speed of adjustment.

Through the utilisation of this model, the Group has determined a set of four MEVs to which the Group's portfolios are the most sensitive, namely Gross Domestic Product, Personal Disposable Income, and Unemployment Rate for Micro Loans, Plus Loans, Credit Limit facilities, Credit Cards and Prime Loans, whereas Consumption Rate Private is the key driver for Instalment Loans, Credit Lines, Purchase Financing (BNPL) and corporate loans. Personal Disposable Income reflects the net income available to households after taxes and transfers. It is calculated for the entire population of a country. The choice of macroeconomic variable to be used for a particular territory and product is determined through an optimised approach in which the ECM is run separately for each of these variables. The variable that is ultimately applied for the territory / product is the one that produces the most statistically significant result.

In order to capture a range of possible future outcomes, three possible scenarios are considered in the determination of the Group's ECL. The 'base line' scenario represents the most likely outcome. It is based on forecasted economic variables, provided by Oxford Economics, and provides the best estimate view of each respective country within the Group's lending portfolio. Apart from the 'base line' scenario, the Group considers two other macroeconomic scenarios – 'Upside' and 'Downside' scenarios – which respectively represent a more optimistic and a more pessimistic outcome, as further explained in this section.

Each scenario is weighted by a probability of occurrence, determined by a combination of macroeconomic research and expert credit judgement, taking account the range of possible outcomes, each chosen scenario represents. The weightings assigned to each economic scenario are 60%, for the 'Base' scenario, 20% for the 'Downside' scenario and 20% for the 'Upside' scenario. The number of scenarios used is based on the analysis of each major product type to ensure that non-linearities are captured. The number of scenarios and their attributes are reassessed at each reporting date. The probability weightings assigned to the respective scenarios reflect an unbiased evaluation of the range of possible outcomes.

In relation to the debt investments, the Group also incorporates these macroeconomic forecasts in its periodical assessments on the pledged loan portfolios, in order to assess whether the Group should provide for expected credit losses. Such assessments are based on the credit information supplied by the bond issuers which the Multitude Group has invested in. In order for its ECL methodology to represent an appropriate estimation of its credit risk emanating from said investments, the Group assesses the ECL on each credit portfolio securing the Group's investment separately. During 2025 and 2024, the Group has also incorporated climate risk factors in its ECL calculations by calculating separately the ECL impact from climate risk factors when compared to the weightings in the model as explained above. A 5% weighting for the climate risk scenario is incorporated in the Downside scenario while downsizing the traditional risks to 15%, the latter which is traditionally assigned a 20% weighting, to avoid double counting of macroeconomic factors. Based on the results observed, the Group assessed that there is no statistically significant impact from climate risk.

The macroeconomic variables presented pertain to a specific territory where the particular product is available. The pertinent macroeconomic variables relating to the Group's lending portfolio as at 31 March 2025, utilised in the multiple regression, are sourced from Oxford Economics and are listed below.

Unemployment rate

In %	2025			2026			2027		
	Base	Down	Up	Base	Down	Up	Base	Down	Up
Croatia	4.36	4.39	4.34	5.26	5.44	5.18	5.68	5.89	5.54
Czechia	4.22	4.26	4.19	4.26	4.50	4.11	4.04	4.29	3.75
Denmark	2.80	2.84	2.77	2.74	2.99	2.61	2.66	2.90	2.43
Netherlands	3.82	3.87	3.79	3.95	4.23	3.84	3.83	4.09	3.63
Poland	5.06	5.09	5.04	4.87	5.04	4.73	4.65	4.85	4.39

Personal disposable income

Billion units		2025			2026			2027		
	Cur.	Base	Down	Up	Base	Down	Up	Base	Down	Up
Bulgaria	BGN	94.38	94.29	94.41	96.23	95.96	96.37	97.55	97.37	97.85
Denmark	DKK	1,320.86	1,319.97	1,321.43	1,351.03	1,347.61	1,353.53	1,381.36	1,379.17	1,386.02
Germany	EUR	2,153.37	2,152.04	2,154.70	2,178.07	2,171.16	2,184.67	2,214.88	2,209.44	2,226.21
Norway	NOK	2,056.99	2,057.13	869.94	2,115.89	2,118.54	885.32	2,156.21	2,159.14	890.93
Romania	RON	869.63	868.00	2,056.91	884.48	881.25	2,115.23	889.28	888.11	2,155.01
Sweden	SEK	3,137.32	3,135.41	3,138.41	3,141.20	3,131.98	3,146.32	3,177.81	3,169.68	3,187.39

Consumption rate private

Billion units		2025			2026			2027		
	Cur.	Base	Down	Up	Base	Down	Up	Base	Down	Up
Finland	EUR	119.33	119.05	119.35	121.07	119.51	121.14	122.83	121.81	122.99

Gross domestic product

Billion units		2025			2026			2027		
	Cur.	Base	Down	Up	Base	Down	Up	Base	Down	Up
Bulgaria	BGN	145.92	145.62	146.01	148.75	147.40	149.13	150.82	149.28	151.65
Croatia	EUR	67.21	67.12	67.26	68.29	67.87	68.47	69.70	69.20	70.05
Estonia	EUR	29.64	29.59	29.67	30.78	30.51	30.89	32.06	31.76	32.26
Finland	EUR	229.80	229.30	230.00	232.19	229.27	233.07	235.11	232.55	236.85
Latvia	EUR	33.07	33.02	33.10	34.17	33.91	34.27	35.21	34.91	35.40
Netherlands	EUR	957.65	955.61	958.67	963.67	953.11	968.12	976.89	965.97	985.43
Romania	RON	1,230.82	1,229.24	1,231.91	1,257.38	1,250.26	1,262.36	1,290.14	1,280.85	1,300.46
Slovenia	EUR	54.99	54.88	55.06	56.27	55.76	56.55	57.44	56.88	57.96
Lithuania	EUR	58.16	58.03	58.22	59.92	59.35	60.14	61.74	61.09	62.17
Sweden	SEK	6,399.15	6,386.39	6,407.32	6,529.74	6,457.98	6,568.28	6,658.79	6,590.99	6,729.42

14. Financial assets and liabilities classification and fair value

Financial assets

The table below summarises the Group's financial assets presented based on their classification, based on their subsequent measurement, at amortised cost or FVPL; and based on their fair value measurement hierarchy, level 1, 2 or 3; as at 31 March 2025 and as at 31 December 2024:

EUR '000	Fair value hierarchy	31 March 2025 Carrying amount	31 March 2025 Fair value	31 December 2024 Carrying amount	31 December 2024 Fair value
FINANCIAL ASSETS AT FVPL					
Derivative financial assets	Level 2	-	-	53	53
FINANCIAL ASSETS AT AMORTISED COST					
Loans to customers	Level 3	664,808	664,808	649,928	649,928
Cash and cash equivalents	Level 1	325,991	325,991	249,458	249,458
Debt investments:					
- Debt investments in bonds	Level 3	116,392	115,900	108,904	108,444
- Debt investments in securitisation portfolio	Level 3	5,341	6,696	3,650	4,576
Other financial assets:					
- Loans to related parties	Level 3	11,556	11,556	11,641	11,641
- Receivables from banks	Level 3	4,206	4,206	4,206	4,206
- Receivables from sold portfolios	Level 3	14,460	14,460	8,195	8,195
- Other receivables	Level 3	7,099	7,099	3,062	3,062
Total		**1,149,853**	**1,150,716**	**1,039,097**	**1,039,563**

The fair value of derivative financial assets is determined using level 2 fair value hierarchy. The derivative assets include only foreign currency forward contracts where the Group agrees to sell a predetermined amount of its foreign currency at a predetermined price.

The fair value of cash and cash equivalents is classified as level 1 fair value hierarchy because it has a fixed nominal value and is measured using quoted prices in active markets without adjustments, including observable spot exchange rates for foreign currency holdings.

Debt investments include debt investments in bonds and debt investments in securitisation portfolio. The debt investments in securitisation portfolio are made up of notes issued by structured unconsolidated entities. In respect of such investments, the Group is the holder of Class A notes, which are senior notes that have a higher credit quality, and rank first in the priority of payment amongst the other creditors. Other debt investments in bonds include investments in secured bonds issued by other companies. The fair values of debt investments were calculated based on cash flows discounted using a current lending rate. They are classified as level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

Other financial assets mainly include loans to related parties, receivables from banks and receivables from sold portfolios. Receivables from banks include mandatory deposits held with other banks as collateral for hedging. Receivables from sold portfolios include mainly short-term receivables from third party, on behalf of which Multitude originated the loans. Loans to related parties comprise a corporate loan issued by Multitude Bank p.l.c. to Sortter Oy and loans to members of the Leadership Team.

The fair values of the remaining financial assets measured at amortised cost are determined using level 3 fair value measurement based on significantly unobservable inputs. The Group estimates that the carrying amounts of these financial assets reasonably approximate their fair values as they are derived from the purchase price agreed upon in orderly transactions on 31 March 2025 and 31 December 2024.

Financial liabilities

The table below summarises the Group's financial liabilities presented based on their classification, based on their subsequent measurement, at amortised cost or FVPL; and based on their fair value measurement hierarchy, level 1, 2 or 3; as at 31 March 2025 and as at 31 December 2024:

EUR '000	Fair value hierarchy	31 March 2025 Carrying amount	31 March 2025 Fair value	31 December 2024 Carrying amount	31 December 2024 Fair value
FINANCIAL LIABILITIES AT FVPL					
Derivative financial liabilities	Level 2	572	572	735	735
FINANCIAL LIABILITIES AT AMORTISED COST					
Deposits from customers	Level 3	887,867	887,867	800,805	800,805
Debt securities	Level 1	102,191	107,832	76,850	79,816
Other financial liabilities	Level 3	20,197	20,197	14,168	14,168
Lease liabilities		4,507	-	5,138	-
Total		**1,015,334**	**1,016,468**	**897,696**	**895,524**

The fair value of derivative financial liabilities is determined using level 2 fair value hierarchy. Derivative financial liabilities include only foreign currency forward contracts where the Group agrees to sell a predetermined amount of its foreign currency at a predetermined price.

The fair value of debt securities that includes only listed bonds (2024 Multitude Capital Oyj senior unsecured bonds, 2022 Multitude Bank p.l.c. tranche bonds and 2025 Multitude Bank p.l.c. floating rate callable Tier 2 Notes) is determined using level 1 fair value hierarchy based on the published quotes in the Frankfurt Stock Exchange Open Market and Malta Stock Exchange.

The fair value of the remaining financial liabilities measured at amortised cost is determined using level 3 fair value hierarchy based significantly on unobservable inputs. The Group estimates that the carrying amounts of these financial liabilities reasonably approximate their fair values as it is derived from the purchase price agreed upon in orderly transactions on 31 March 2025 and 31 December 2024.

2024 Multitude Capital Oyj senior unsecured bonds

The Multitude Capital Oyj senior unsecured bonds (ISIN: NO0013259747) were issued in June 2024 with a coupon rate of 3-month Euribor plus 6.75%, maturing in June 2028. On 17 December 2024, Multitude Capital Oyj issued an additional EUR 20.0 million of bonds which were fully subscribed by the issuer and not recognised on the statement of financial position as at 31 December 2024. As of 31 March 2025, the senior unsecured bonds are presented as debt securities in the Group's consolidated statement of financial position, have outstanding nominal and carrying amounts of EUR 77.8 million (EUR 77.0 million as at 31 December 2024) and EUR 74.9 million (EUR 73.9 million as at 31 December 2024), respectively.

2022 Multitude Bank tranche bonds

The Multitude Bank p.l.c. tranche bonds (ISIN: MT0000911215) were issued on 27 April 2022 with a coupon rate of 6.00% maturing in April 2032. Of the EUR 5.1 million bonds issued, EUR 2.0 million was issued to Multitude AG, which was eliminated at the Group level as part of the consolidation process. At 31 March 2025, the tranche bonds are presented as debt securities in the Group's consolidated statement of financial position and have outstanding nominal and carrying amounts of EUR 3.1 million (EUR 3.1 million as at 31 December 2024) and EUR 3.0 million (EUR 2.9 million as at 31 December 2024), respectively.

2025 Multitude Bank p.l.c. floating rate callable Tier 2 Notes

On 10 March 2025, Multitude Bank p.l.c. issued EUR 25.0 million aggregate principal amount of Floating Rate Callable Tier 2 Notes due 2035 (ISIN: DE000A4D58U2) with a coupon rate of 3-month Euribor plus 11.00%, maturing in March 2035. The Group paid EUR 0.9 million of issue costs and discount that are included in the proceeds from debt securities line item of the consolidated statement of cash flows. As of 31 March 2025, these outstanding notes are recognised as debt securities in the Group's consolidated statement of financial position, have a nominal amount of EUR 25.0 million (nil as at 31 December 2024) and a carrying amount of EUR 24.3 million (nil as at 31 December 2024).

15. Dividends

The Board of Multitude AG proposed a gross dividend of EUR 0.44 per share in the total amount of EUR 9.5 million for the financial year 2024. The last trading day entitling shareholders to receive the dividend was 14 May 2025. As of 15 May 2025, the shares traded ex-dividend and the record day was 16 May 2025. The payment, after deduction of applicable withholding tax, was made on 19 May 2025.

16. Events occurring after the reporting period

Acquisition of stake in Lea Bank AB

After 31 March 2025, the Group acquired an additional stake of 0.50% which increased the total ownership from 24.49% as of 31 March 2025 to 24.99% as of the date of this report.

Annual General Meeting 2025

On 13 May 2025, Multitude AG held its AGM in Zurich, where shareholders approved the 2024 financial statements and an ordinary dividend of EUR 0.44 per share, payable on 19 May 2025. The meeting also endorsed the 2024 ESG Report, reflecting the company's commitment to environmental, social, and governance standards. Key Board Members Ari Tiukkanen, Jorma Jokela, Lea Liigus, and Marion Khüny were re-elected, with Mika Ståhlberg joining as a new Member. Additionally, shareholders approved the introduction of a capital band, allowing share capital adjustments between EUR 40.2 million and EUR 46.2 million until 2030, and amended the articles of association to establish a framework for granting loans and credits to board and executive members. Furthermore, the AGM ratified the reappointment of PricewaterhouseCoopers AG as auditors.

Investor relations contacts

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