

MULTITUDE

22.04.2026 08.00 EET



Roni Peuranheimo
+358 505610455
roni.peuranheimo@inderes.fi



INDERES CORPORATE CUSTOMER

EXTENSIVE REPORT

Profitable niche player in the digital lending space

Multitude has had an impressive profit growth track record during the last years, while simultaneously derisking its balance sheet. However, the main profit contributor remains consumer lending and the SME Banking and Wholesale Banking need to continue their currently good trend to start contributing more to the Group numbers. The risk profile of Multitude is still above traditional banks, but in our view that is reflected more than enough in the valuation (2026e P/E 6x). We reiterate our EUR 7.8 target price and Buy recommendation.

Digital bank serving overlooked consumers, SMEs and other fintechs

Multitude (originally Ferratum), a Frankfurt-listed digital bank established in Finland, offers lending and online banking services to consumers, SMEs and other fintechs that are overlooked by traditional banks. Multitude operates in 17 countries and through three business units: Consumer Banking (Ferratum), SME Banking (CapitalBox) and Wholesale Banking (Multitude Bank). Consumer Banking is clearly the largest segment and generates most of the Group's profit. SME banking is still loss-making, but the company is aiming to turn the segment profitable this year. Wholesale Banking is the newest segment, but it's growing fast and has already reached profitability.

Consumer lending is Multitude's crown jewel

We believe that Multitude is a strong player in its "overlooked customer" –niche, but the position is clearly strongest among consumer lending where the company has operated for a long time and developed strong underwriting capabilities. Given the weaker track record in SME Banking, we view that the company hasn't yet found a competitive edge.

Profit growth ambitions are high

Multitude has an impressive track record of meeting or

exceeding its multi-year guidance set in 2021 onwards. Currently, the company is expecting to reach 30 MEUR net profit in 2026 and 20% per annum growth in 2027-2028. The company aims to achieve this target by continued growth, improved asset quality and cost/income ratio. When it comes to growth, the revenue mix has started to diversify from purely net interest income also to fee and commission income from partner business in Consumer Banking as well as Payment Solution business in Wholesale Banking. Fee income are asset-light and high-margin revenue streams that have an important role to play in profit growth and capital efficiency going forward. The impairment losses (% of loan book) have also steadily declined in recent years and this trend should continue, but a massive drop like in 2025 due to Micro Loan business divestments, is unlikely. Even though the riskiness of Multitude's loan portfolio has decreased, it still is riskier compared to traditional or other digital banks.

Valuation remains very low

In our valuation, we look at Multitude as a bank, although fee income growth is creating more asset-light income streams for the company, which can also support acceptable valuation levels if the growth continues (through higher ROE-%). In our view, a ratio of 0.85-1.15x is currently acceptable for Multitude, derived from assumptions about sustainable return on equity and cost of equity. When we treat the perpetual bonds on the balance sheet as debt, Multitude's 2026 estimated P/B is 0.85x, which is at the bottom of the acceptable range. The P/E ratio based on this year's estimates is 6.0x. Multitude's risk profile is high compared to other banks, but we also see its return potential as high. The earnings growth will be negative at least in Q1, but the company should return to earnings growth latest in H2. Overall, we consider the risk/reward ratio to be very attractive given the current valuation.

Recommendation

Buy
(prev. Buy)

Target price:
7,80 EUR
(prev. 7,80 EUR)

Share price:
6,44 EUR

Business risk



Valuation risk



	2025	2026e	2027e	2028e
Total net operating income	214,8	209,5	218,4	229,0
growth-%	-2 %	-2 %	4 %	5 %
Total operating costs	-102,3	-100,8	-105,0	-108,5
Cost/income ratio	47,6 %	48,1 %	48,1 %	47,4 %
EBT	30,8	34,7	38,5	42,4
Net income	26,6	30,0	32,7	35,4
EPS (adj.)	1,08	1,09	1,19	1,31
P/E (adj.)	5,4	5,9	5,4	4,9
P/B	0,8	0,8	0,7	0,7
Dividend yield-%	9,4 %	8,9 %	9,5 %	10,3 %

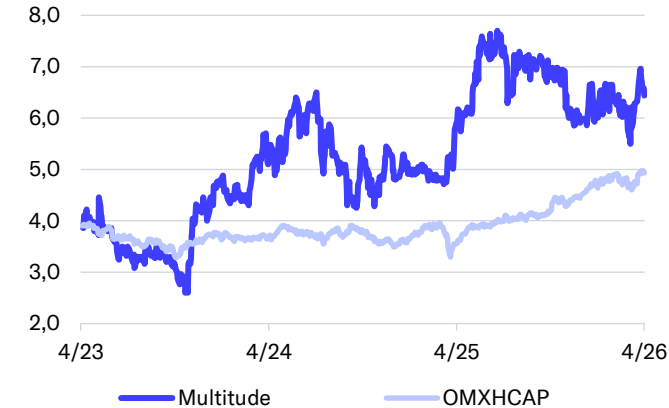
Source: Inderes

Guidance

(Unchanged)

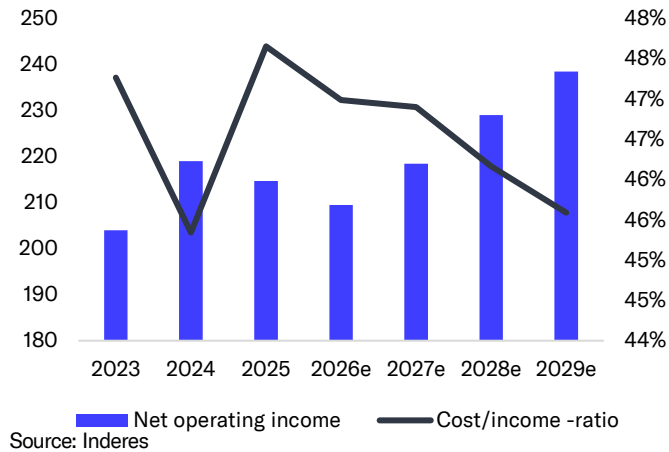
Multitude expect to reach net profit of 30 MEUR in 2026.

Share price



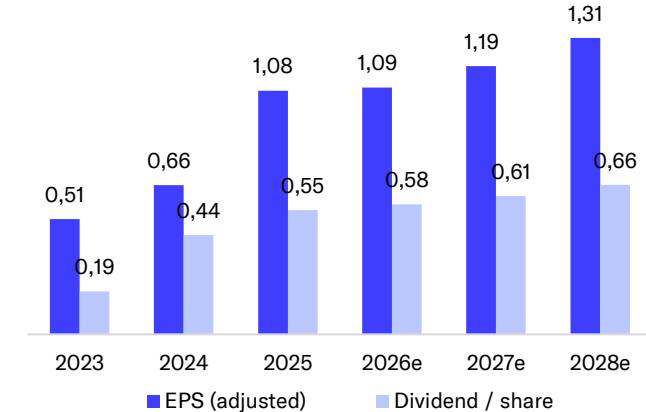
Source: Millstream Market Data AB

Net operating income and cost/income ratio



Source: Inderes

EPS and DPS



Source: Inderes

Value drivers

- Organic growth potential is good due to the large market and low market share
- Cost structure scales with growth
- Partnerships can be a good way to target new customer segments
- Potential acquisitions to strengthen the product portfolio and market position

Risk factors

- Regulatory changes to, for example, interest rate caps can change the working environment
- Economic cycles have a direct impact on banks' lending and funding activities
- Increased competition in the digital banking/lending industry
- The loan portfolio consists mostly of high risk (unsecured) loans

Valuation	2026e	2027e	2028e
Share price	6,44	6,44	6,44
Number of shares, millions	21,6	21,6	21,6
Market cap	139	139	139
P/E (adj.)	5,9	5,4	4,9
P/E	5,9	5,4	4,9
P/B	0,8	0,7	0,7
ROE-%	13,3 %	13,3 %	13,1 %
Payout ratio (%)	41,5 %	40,5 %	40,5 %

Contents

Company description and business model	6-10
Business units	11-13
Investment profile	14-16
Industry and competitive landscape	17-20
Strategy and financial targets	21-24
Estimates	25-27
Valuation and recommendation	30-32
Disclaimer	36

Multitude in brief

Multitude is a digital bank that offers lending and online banking services to consumers, small and medium-sized businesses, and other fintechs overlooked by traditional banks.

2005

Year of establishment

2015

IPO

215 MEUR (-2% vs. 2024)

Net operating income 2025

7% (2016-2025)

Average net interest income growth (Inderes' estimate)

26.6 MEUR (12.4% of net operating income)

Net income 2025

700+

Employees (2025)

-2015

Founded in 2005 under the name Ferratum

Initially, offering was purely focused on consumer lending

EU banking license in 2012 enabled growth through deposit funding

By the end of 2015 Multitude operated in 23 countries

2015-2023

Listed on Frankfurt stock exchange in 2015

SME lending business established in 2015

Exit from certain markets

Name change to Multitude in 2021

Profit dropped significantly during COVID-19 pandemic in 2020-2021, but the numbers have recovered

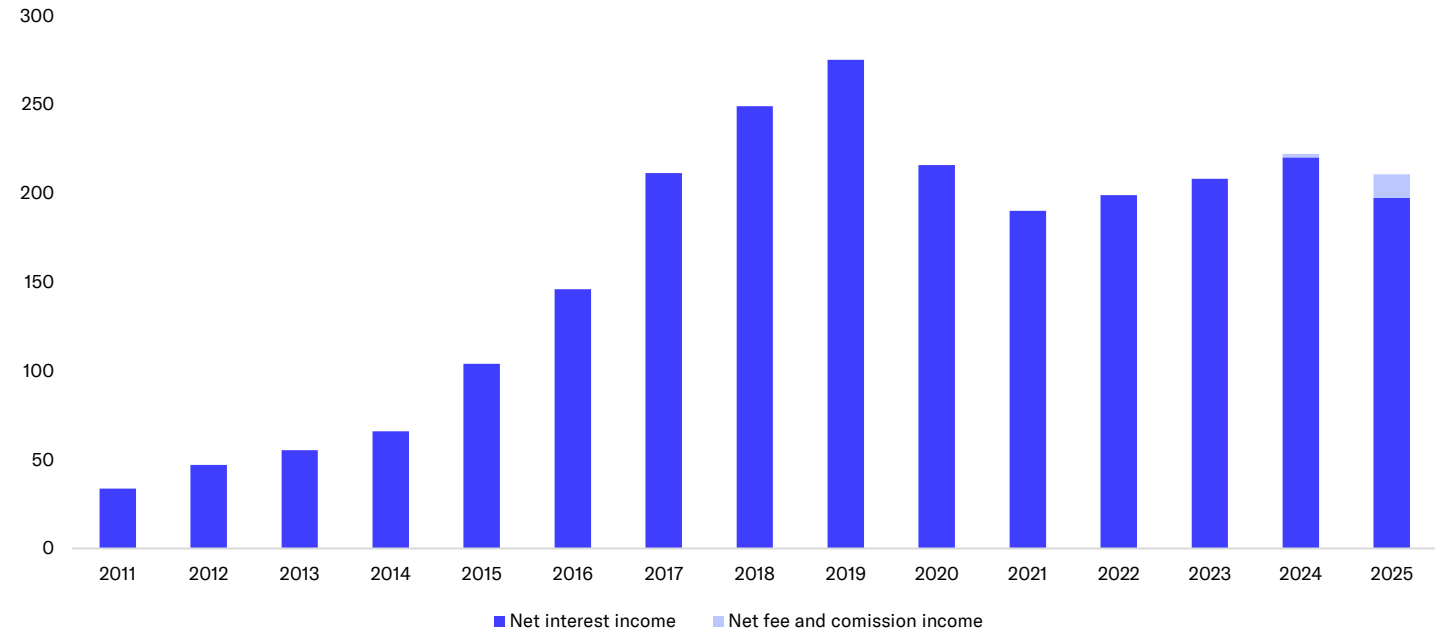
2023-

Three business units since the beginning of 2024: Consumer Banking, SME Banking, and Wholesale Banking

Acquired a stake in Lea Bank in 2024-2025

Growth in fee income

New and ambitious financial targets for 2026-2028



Company description and business model (1/5)

Multitude in brief

Multitude is a digital fintech bank that provides lending and online banking services to consumers, small and medium-sized businesses, and other fintechs. Since its inception, Multitude's goal has been to offer lending services to customers that are overlooked by traditional banks. Multitude's platform has currently around 400,000 active customers.

Multitude's main products are different types of instalment loans and credit lines. The loan applications are fully digital and the company aims to make the processes as fast as possible so that the customer can get the money quickly. The loans are usually short-term and unsecured loans although the company has divested its Micro Loan businesses and amount of secured loans has increased in the last years.

Multitude (originally Ferratum) was founded in 2005 in Helsinki, Finland by Jorma Jokela, who is still the largest shareholder of the company (~55% ownership). Jokela stepped down from the CEO position in the end of 2024 but continues actively working with e.g. strategy and M&A related work. Initially, the main business was consumer lending under the Ferratum brand. During the company's first five years the company expanded geographically and diversified its product portfolio quickly. In 2012, the company received its EU banking license, which allowed the company to fund growth through deposit funding. In 2015, the company completed its IPO on the Frankfurt Stock Exchange, where it is still listed. During the same year, the company expanded its offering to SME lending (nowadays under the brand name CapitalBox). In 2016, the company launched fully digital and mobile banking solution to consumers. The company changed its name from

Ferratum to Multitude in 2021. The COVID-19 pandemic (especially years 2020-2021) were challenging as the company experienced a significant decrease in its net interest income (then reported as revenue) and profit levels. After that, the company has managed to recover its profit levels and reached all time high net profit in 2025.

In 2025 Multitude's net operating income (consist mainly of net interest income and fee income) was 215 MEUR and the company made a net profit of 26.6 MEUR (23.3 MEUR after perpetual interest). At the end of 2025, loans to customers and debt investments stood at 939 MEUR and customer deposits 1035 MEUR.

Multitude employs around 700 people and provides services in 17 countries. The company identifies itself strongly as a Finnish/Nordic company, but the official legal seat is in Switzerland (this way the company is investable for Finnish investors as it's listed in Frankfurt). In terms of net interest income, the largest geographical areas for the company are Northern Europe and Eastern Europe (mainly Baltics).

Since the beginning of 2024, Multitude operates via three different business units: Consumer Banking (Ferratum), SME Banking (CapitalBox) and Wholesale Banking (Multitude Bank).

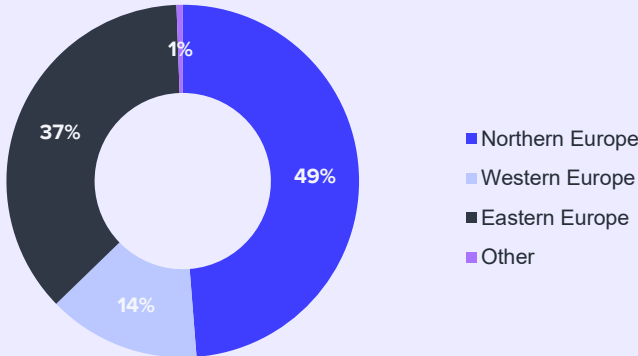
Business model

Multitude is a digital fintech bank, whose customer acquisition and underwriting processes are fully digital. The business model itself is comparable to a traditional bank, as the clear majority of its revenue streams come from net interest income (interest income minus interest expense). In 2023, Multitude began reporting its income statement as a bank.



-  Operates with three brands: Ferratum, CapitalBox & Multitude Bank
-  EU wide banking license
-  Operates in 17 countries mainly in Europe
-  Net operating income 215 MEUR and net income 26.6 MEUR in 2025
-  Loan portfolio and debt investments 939 MEUR and deposits 1035 MEUR at the end of 2025

Interest income (gross) by geographical split in 2023



Source: Inderes, Multitude

Company description and business model (2/5)

In 2025, Multitude's interest income is 241.9 MEUR and interest expense is 44.4 MEUR, resulting in net interest income of 197.5 MEUR. The company has actively pursued growth in fee and commission income and in 2025 they (net) amounted to 13.2 MEUR (2024: 2.1 MEUR).

The risk profile of Multitude's loan portfolio is high due to the company's target customer group (consumers and SMEs overlooked by traditional banks) and the loan portfolio is largely unsecured. This results in a high net interest income ratio but is also reflected in a high level of impairment losses. The loan portfolio is therefore clearly riskier than that of a traditional bank. However, it's worth noting that the riskiness of the loan portfolio has steadily decreased, which has resulted in both lower net interest income ratio and impairment losses.

Income streams come mostly from net interest income, but fee income is growing

The loans granted by Multitude have mostly fixed interest rates. The loans are mostly unsecured and the margins on the loans are typically high. This is highlighted in the net interest income ratio (net interest income / loans to customers + debt investments), which stood at 23% of the total portfolio in 2025. The net interest margin is not fully comparable to peers as Multitude doesn't include interest on perpetual loans in interest expense. It's good to note that the ratio has decreased in a trend style for a long time, which is a result in de-risking of the loan portfolio. The ratio can also fluctuate for example if the company decides to sell parts of its loan portfolio to collection agencies.

The reference rate for the loans is usually the 3-month Euribor rate. Thus, the margins/risk premiums make up most of the interest income and the interest income is not very sensitive to changes in interest rates. In addition to

loan margins, the customer typically pays account opening fees and ongoing account fees, which are included in the total effective interest rate. For example, the effective interest rate on an installment loan with an interest rate of 17.5% (reference rate + margin) can be 25-30% (naturally variation between operating countries and business unit).

The fee and commission income line has been historically very small in the income statement, but it grew meaningfully in 2025. This was a conscious move from Multitude as a large part of the fee income came from business entities that Multitude divested and continued serving its technology platform. Also, Multitude's Payment solution business in Wholesale Banking generates growing fee income. These both are part of a strategic initiative to diversify revenue to new high-margin and asset-light streams.

The maturity profile of Multitude's loan portfolio is short, with even the longest loans being only a few years.

Mostly deposit-based funding

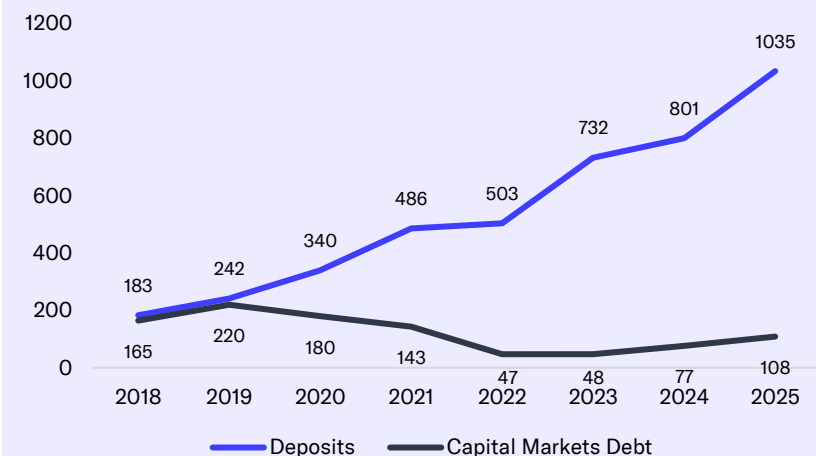
Multitude funds its lending activities mostly with deposits as this is the most cost-effective source of funding. The deposits come from direct deposits (75 % of total assets) and 3rd party online platforms such as C24 in Germany. The company is currently aiming at increasing the amount of direct deposits as they are usually a cheaper financing option for the company. The deposits are sourced mainly from Germany and Sweden.

In addition to deposit funding, the company also uses capital market debt to a lesser extent. The cost of capital for market debt can be much higher (unsecured bond issue in Q2'24: 3-month Euribor + 6.75%), but capital market debt allows Multitude to lengthen its funding maturity profile.

Loan to customers and deposit development (MEUR)



Funding mix development (MEUR)



Company description and business model (3/5)

In general, the more a bank is funded by deposits, the more sensitive it is to deposit outflows. Therefore, it doesn't want to rely solely on deposit funding. The appropriate mix of funding is a function of the riskiness and duration of the bank's loan portfolio, its risk management policies, and the supply and demand conditions for borrowed funds. However, because the maturities of Multitude's loans are short, the company can rely primarily on deposit funding.

Over the long term, the company has been successful in increasing the proportion of its funding from deposits, which has resulted in declining funding costs over time. In recent years, funding costs have seen fluctuation due to large movements in the interest rates. The company still has some longer-term deposits from higher interest rate era causing pressure to interest expenses, although the current spike in interest rates will cause upwards pressure on interest expenses.

Multitude also sees the diversification of funding as an important aspect. In the 2023 CMD, the company mentioned that 99% of its deposits are below 100 TEUR (below the EU deposit guarantee limit). Thus, in our view, the deposits are well diversified. The access to capital market debt is also relatively good.

Business is affected by regulatory changes

As a fintech bank whose loan portfolio consists mainly of high-yield unsecured loans, Multitude's business environment is sensitive to regulatory changes, such as credit policies. The company has been able to adapt to regulatory changes in a reasonable manner, but according to the company, when there's significant uncertainty and low visibility of potential regulatory changes, the market can be difficult to operate in. In our view, the regulatory pressures has gotten easier with the move to lower yield /

lower risk customers. We discuss regulation in more detail in the Industry section.

Balance sheet

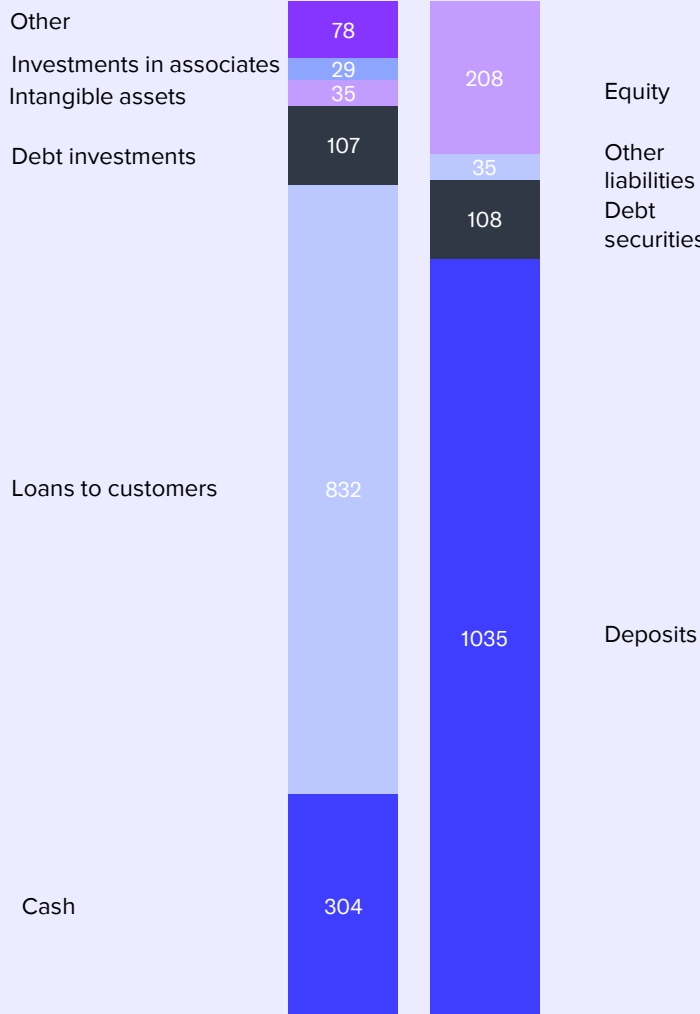
The different sides of the bank's balance sheet are intimately related and form the most important component of a bank's income - net interest income. The banking business is thus very balance sheet driven, so it is natural to treat the structure of the balance sheet as part of the business model.

Asset side consist mostly of loan portfolio and cash

Multitude's assets totaled 1386 MEUR at the end of 2025. The largest item on the asset side is clearly loans to customers, which stood at 832 MEUR. It's good to note that this is the net loan portfolio as the loss allowances have already been deducted from gross loans. The gross loans to customers stood at end of 2025 at 954 MEUR. The large difference between the gross and net loan portfolio showcases the riskiness of Multitude's loan portfolio. Naturally, the flip side to this is the high net interest income-% earned from the loan portfolio.

The second largest asset item is cash and cash equivalents, which stood at 304 MEUR at the end of 2025. Thus, the company has a lot of liquidity, but it shouldn't be viewed as freely distributable capital as the bank has to maintain required solvency ratios. Multitude Bank is also forced to keep certain level of liquid assets due to Basel III regulation. At the end of 2025, the bank's liquidity coverage ratio (LCR) was 686% (must be above 100%), which means that from this angle the company has more than enough liquid assets. Generally, the company also wants to keep dry powder for possible M&A transactions and high-demand situations where there's good possibilities to grow the loan portfolio.

Balance sheet at the end of 2025



Source: Inderes, Multitude

Company description and business model (4/5)

On top of the loan portfolio, Multitude has other debt investments worth of 107 MEUR, intangible assets worth of 35 MEUR (consisting mostly of capitalized internal and external software), investments in associates worth of 29 MEUR (mainly Lea Bank & Sortter) and other smaller asset items worth 78 MEUR in total.

Liabilities consist mostly of deposits

Multitude's deposits were 1035 MEUR at the end of 2025 growing at a fast rate (2024: 801 MEUR). Other debt securities amounted to 108 MEUR (2023: 48 MEUR). Multitude's total equity stood at 208 MEUR at the end of 2025 (163 MEUR without perpetual bonds).

The bank's solvency ratios do not tell the whole story, but overall the visibility of the Group's solvency is not perfect

Multitude has a full EU banking license since 2012. Banking regulation requires the bank to have sufficient capital to protect against possible losses. The required solvency ratios depend in particular on the size of the bank and the riskiness of the loan portfolio. Multitude's organizational structure differs from a traditional bank as the holding company is not a bank and thus not under bank regulation. Multitude Bank, which is operatively the most important entity of the Group, is a subsidiary of the parent company and it reports its solvency ratios twice a year. At the end of 2025, Multitude's total capital ratio was 21.97% and its CET1 ratio was 16.53%. The regulatory requirements for the total capital ratio are 17.68% and for the CET1 ratio 14.49%. Thus, there are currently healthy buffers to the minimum ratios.

Overall, the bank's capital ratios do not tell the whole story of the Group's solvency as the company tries not to overcapitalize the bank and more capital and cash buffers are kept on the Group level. This is also supported by the

fact that the bank has recently managed to raise Tier2 capital independently as it was previously dependent on Group's capital injections. One way to look at the financial situation of the Group is to compare the net equity ratio (2025: 21.8%) to the required level of bond covenants (18,0%), where there are still clear buffers.

This type of structure differs from peers as typically their bank level solvency ratios are equal to Group level ratios and they report them frequently. All in all, the visibility towards the Multitude's Group level financial situation is somewhat limited, but we don't see the solvency situation as an issue currently.

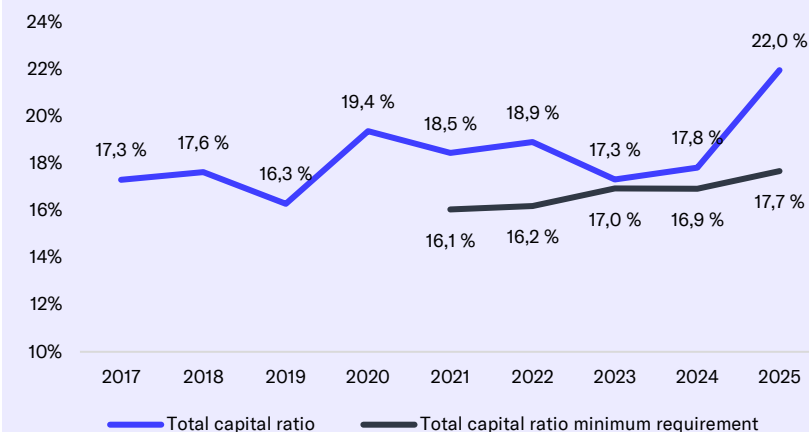
Historical performance & cost structure

Growth has been historically fast, but not without hiccups

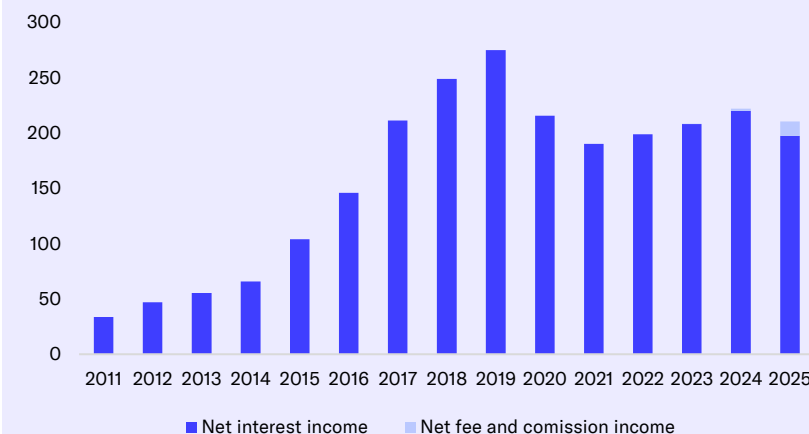
Multitude's net interest income has grown by about 7% annually over the past ten years (2016-2025). Growth was particularly strong prior to the COVID-19 pandemic, when annual net interest income growth was approximately 28% per year (2016-2019). In 2020, net interest income declined sharply due to reduced consumer spending during the pandemic, more risk-sensitive underwriting, and exits from certain markets. Net interest income returned to growth from 2021 onwards (2021-2024: 190-220 MEUR), but declined in 2025 (198 MEUR). The decline was to large extent intentional, as the company divested some business entities and is able to get fee income in return. Partly, the decline was also explained by lowering interest rates.

It's worth noting that the historical levels of net interest income are our own estimates, based on our calculations of how the company reported revenue prior to its transition to a bank reporting structure in 2023.

Multitude Bank's total capital ratio and regulatory requirement



Historical net interest income* and fee income development (MEUR)



* Net interest income before 2022 estimated since until then company reported revenue (close proxy to current gross interest income)

Company description and business model (5/5)

Earnings growth has gone hand in hand with the development of the topline. The earnings growth story was very strong until 2019, but earnings plummeted in 2020 and net profit turned into a small loss.

As there is a significant amount of fixed costs in the company's cost base, the changes in net interest income drastically affected the profit level. Eventually, the company was able to adjust its cost base, for example by reducing staff, and returned to profitability from 2021.

After that, the company has continued to grow profitably and in 2025 the company managed to reach record profits (net profit 26.6 MEUR).

When looking at Multitude's profit levels, it's important to note that net profit does not include the interest on the perpetual bonds. The effect is quite large as the company as the interest on the bonds is quite high (3-month Euribor + 8.9%). The company also just raised new capital with new perpetual notes (new notes 70 MEUR, old 45 MEUR), and thus the absolute effect will increase (same interest rate).

In 2025, the net profit was 26.6 MEUR, and after the interest cost on the perpetual bond, it was 3.3 MEUR.

Cost structure has scaled with growth

Personnel expenses amounted to 38% of Multitude's operating costs in 2025. General and administrative expenses were 37%, depreciations 13% and sales and marketing costs 12% of operating costs.

The cost/income ratio has fluctuated between 45-58% in the last ten years trending slowly downwards, demonstrating the scalability of the cost structure. In 2025, the cost/income ratio was at 48% slightly increasing from bottom levels in 2024 (45%). Comparing to e.g. our peer

group the cost/income ratio is somewhat higher. Also, when comparing to traditional and larger banks the cost structure of Multitude is heavier, which is of course natural due to its earlier development phase and growth orientation. Nevertheless, the company has still room to improve in cost efficiency and it is currently an important focus area for the company.

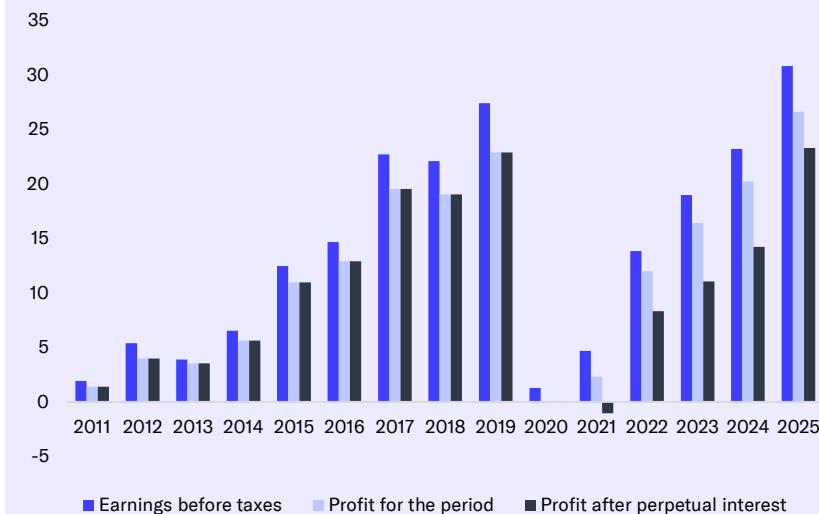
Impairment losses reflect a risky loan portfolio

The impairment loss provisions consist of expected credit losses (so-called ECL provisions) and final credit losses (or gains if the provisions are not realized).

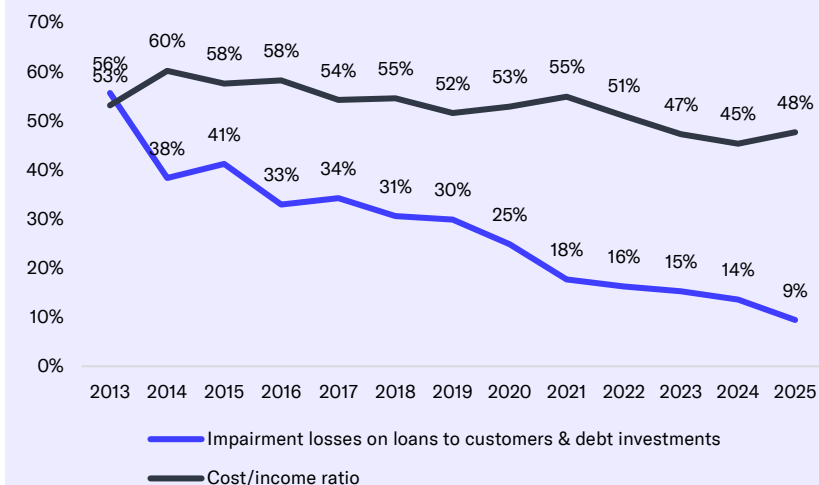
Credit losses are at a very high level compared to traditional banks or even other digital banks operating in the unsecured lending space. In 2025, impairment losses were around 9% calculated from the loan and debt investment portfolio. Impaired loan coverage ratio (loss allowances of gross loans) was at 12.8%.

Although the level of impairments is high, Multitude has managed to reduce the relative level of impairments significantly from historical levels. Prior to 2020, the impairment ratio was around 30% and above. The lower ratio is a result of a strategic shift over time to lower yield and lower risk customers (partly also forced by regulation). This is also seen in the net interest income-%. This change has been facilitated by increased deposit funding, as lower funding costs allow the bank to offer lower yield and lower risk loans. According to Multitude, the company has also been able to improve its underwriting processes, resulting in lower credit losses. In general, we think the move to lower-risk customers is a good one, but the competitive landscape for lower-risk loans can also be much higher. Generally, it's good to note that in the short term the impairment loss levels can fluctuate significantly.

Profit development (MEUR)



Impairment loss and cost/income ratio development



Business units (1/2)

Multitude changed its reporting structure at the beginning of 2024. Today, the company reports metrics from three different business units: Consumer Banking, SME Banking and Wholesale Banking. Prior to this, the company reported figures from the Ferratum, CapitalBox and SweepBank segments. The main difference in the new reporting is that SweepBank has been consolidated into Ferratum and CapitalBox. Wholesale Banking is a new, but growing, segment.

Consumer Banking

Consumer Banking operates by the Ferratum brand and forms the historical basis of Multitude Group. Clearly the bulk of the Group's net interest income and profits come from this segment.

In 2025, the segment constituted 82 % of the Group's net interest income and 78 % of the net fee and commission income. The fee income from this segments comes from partners using Multitude's digital platform (B2C or B2B2C). For example, the divested entities in 2025, are still using Multitude's software, where the company gets fee income. The segment's loans to customers stood at 530 MEUR at the end of 2025. The historical Ferratum-segment isn't fully comparable with the new Consumer Banking since SweepBank was consolidated to Ferratum and CapitalBox (SME Banking).

Ferratum's main lending products are Plus Loan, Prime Loan, Credit Limit & Credit Card. The company does not provide Micro Loans anymore (divested in 2025), which is the smallest type of bullet loan. Plus and Prime loans range from only EUR 300 to around EUR 15,000. The maturity of the loans range from 2 months to around 6 years. Credit

Limit offers a credit line up to EUR 5,000 and is the most popular product under the Ferratum brand. Credit Limit is also the most important profit driver for the segment and thus for the whole Group as well. Ferratum's Credit Card allows purchases up to EUR 8,000 and the money can also be withdrawn straight to customers bank account, term deposits and engagement programs. With the integration of SweepBank into the business unit, Ferratum now also offers payment cards, bank accounts and other services.

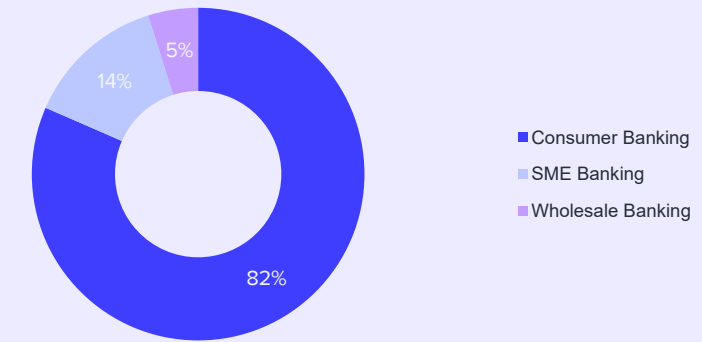
The products are specifically designed to help consumers manage expenses caused by unexpected life events and are therefore mostly used for ordinary expenses. The loans are mostly unsecured, and the application process is quick and easy. The applicant is assessed using an AI-powered scoring algorithm, and the offer is personalized to each customer based on their risk level and affordability. The length of the application process (from start to the customer having the money in their bank account) can take as little as 15 minutes.

According to Multitude, Ferratum's average customer is evenly split between men and women, is over 30 years old, and has a salary level slightly above the country's average. Ferratum currently operates in 13 countries: Bulgaria, Croatia, Czechia, Denmark, Estonia, Finland, Germany, Latvia, Norway, Poland, Romania, Slovenia and Sweden.

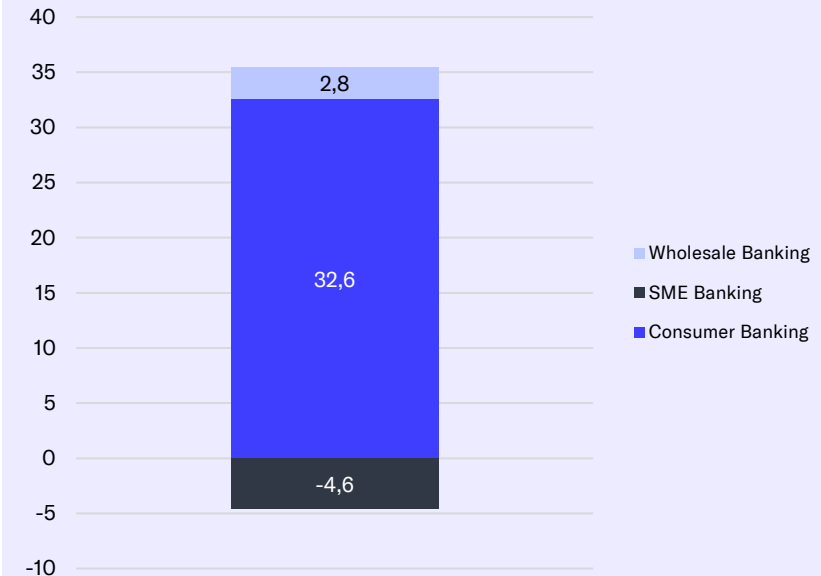
SME Banking

SME Banking operates under the CapitalBox brand and the business was established in 2015. The segment accounted for 14% of the Group's net interest income in 2025. SME Banking does not generate any fee income.

Net interest income by business unit (2025)



Earnings before taxes by segment in 2025 (MEUR)



Business units (2/2)

The segment is still clearly loss-making (2025 earnings before taxes -4.6 MEUR) although the trend is good (2024: -10.7 MEUR). Overall, the segment is still a drag on the Group's profitability. Turning SME banking into a profitable business is currently a key priority for the company and in the company's segment targets, the company is targeting a positive EBT for SME Banking in 2026. At times, the segment has struggled with too high impairment losses, but the company has improved on this front. Currently, the aim is to accelerate growth as the company sees turning the business profitable is solvable with higher scale. Overall, based on the historical track record, we think CapitalBox doesn't have as strong position in its market than Ferratum does. The market dynamics of SME lending is overall somewhat different to consumer lending. The segment's loans to customers amounted to 165 MEUR at the end of 2025.

CapitalBox offer five main products: Instalment Loans, Invoice Purchasing, Credit Line, Secured Loans and Purchase Finance.

Instalment loans are up to 350 TEUR (unsecured) or 3 MEUR (secured) and have terms of 6-48 months. According to Multitude, the average instalment loan is 27k with a loan term of 28 months.

The Invoice Financing product was acquired by CapitalBox through an asset purchase from Omniveta. Historically, CapitalBox has offered financing only in Denmark, but the product is now being rolled out in the Netherlands and Finland.

Credit Line is a traditional credit line for SMEs ranging from 2-150 TEUR. Secured Loan is a more traditional secured loan designed to support larger investments. Loans can be up to 3 MEUR. Purchase Finance (Buy Now, Pay Later) is the

latest product addition for CapitalBox. The product provides businesses with unsecured funding of up to 20 TEUR and is designed to help SMEs manage their cash flow effectively.

According to Multitude, the typical CapitalBox customer is a micro/small company that has been in business for at least one year, employs three people, and has annual revenues of approximately 500 TEUR. We believe that the small size of the client companies partly explains the high credit losses. Also, exposure to certain industries (e.g. construction) has boosted credit losses in the last few years. CapitalBox is currently active in five markets: Finland, Sweden, Denmark, Lithuania and the Netherlands. It has more than 9,000 active customers.

Wholesale Banking

Wholesale Banking operates under the Multitude Bank brand. It is an entirely new segment and was introduced as a separate unit at the beginning of 2024. The segment focuses on two key offerings: Secured Debt and Payment Solutions.

Secured Debt provides financing for, for example, loan portfolios of other fintechs or alternative lenders where their loan portfolio is pledged as collateral. Secured debt solutions are clearly more tailor-made versus the automated purely digital solutions in the other segments. Currently, the majority of the business unit's income comes from Secured Debt products. Loan losses have been rather small so far.

Payment Solutions products provide banks, payment institutions and electronic money institutions with components for end-to-end payment operations. The offering supports core processes that ensure the efficient management of payments. The Payment Solutions offering was originally developed to support the company's own

internal businesses, as the company developed relationships with local central banks in various countries. Eventually, the company felt it was ready to scale Payment Solutions for external clients as well. The volumes have been small, but 2025 the fee income started growing nicely (2.9 MEUR vs. 2024: 0.5 MEUR). So far the commercialization has been limited, but the company also expects the growth to continue.

Wholesale Banking is still clearly the smallest segment, but is growing the fastest. Wholesale Banking's net interest income was 5% of the Group's total and net fee and commission income was 22% of the Group's total. The segment is already profitable, and it made a 2.8 MEUR EBT in 2025 (2024: 1.1 MEUR), which is a good result since we believe the segment is still doing some front-loaded growth investments. Loans to customers were 137 MEUR and additionally the segment has 107 MEUR worth of debt investments. It's also worth noting that Payment Solutions does not affect the size of the loan portfolio and is not included in net interest income (shown as fee income).

SweepBank is nowadays integrated to Consumer Banking and SME Banking

SweepBank was a separate business until the end of 2023, when it was integrated into Consumer and SME Banking. The idea behind the integration of SweepBank into Consumer Banking and SME Banking was to make all daily banking solutions more accessible to the customers of Ferratum and CapitalBox segments. SweepBank was a mobile banking solution that provides customers with everyday banking, financing and shopping services. Nowadays the SweepBank brand has been discontinued and the services are under the Ferratum name.

Multitude's organizational structure and business units

Multitude

Growth platform

Compliance framework

Banking license

Technology stack

Big Data & AI

Product library

Customer management

Brand:



Plus Loan: up to 4,000€, 2-18-month maturity
Prime Loan: up to 15,000€, 1-6-year maturity
Credit limit: up to 5,000€ credit line
Credit card: up to 5,000€ credit

Main products:

Typical customer:

Consumers (average ~30-year-old) with salaries above country average in 13 countries across Europe

Key numbers:

2025:
 ~82% net interest income
 ~56% of loan/debt portfolio

SME Banking



Instalment loans: up to 350 TEUR and 6- 48 month maturity
Credit Line: 2-150 TEUR credit line
Secured Loan: up to 3 MEUR
Purchase Financing (Buy Now, Pay Later): up to 20 TEUR

Micro-to-small companies with on average 3 employees and 500 TEUR revenue

2025:
 ~14% net interest income
 ~18% of loan/debt portfolio

Wholesale Banking



Secured Debt: funding against lending portfolios or other assets pledged as collateral (transactions typically 5-35 MEUR)
Payment Solution: end-to-end payment operations (transaction processing and day-to-day financial operations)

Other banks, fintechs, payment institutions and electronic money institutions

2025:
 ~5% net interest income
 ~26% of loan/debt portfolio

Partnerships and M&A



(29,68 % stake)



(19,97 % stake)

Investment profile

Multitude is a profitable, growth-oriented, high-risk digital bank

After its IPO, Multitude was profiled as a profitable and growing technology company, and not so much as a bank. This was reflected in the company's valuation, which reached very high levels prior to the COVID-19 pandemic. The profitable growth story was challenged during the COVID-19 pandemic, when reduced consumer spending and more conservative underwriting policies (by Multitude) took a significant toll on Multitude's earnings. This resulted in for example cut in the dividend and reduced headcount. Thereafter, the company was profiled as a turnaround company for a while.

Since then, the company has returned to a profitable growth path and is currently generating record profits. The company paid its first post-pandemic dividend in 2023 (from 2022 earnings). The guidance expects Multitude's earnings growth to continue in 2026. Overall, the track record of earnings growth in recent years has been impressive.

In the big picture, the risk profile of Multitude is clearly higher compared to traditional banks e.g. due to smaller size, somewhat limited visibility to Group level solvency, volatility in historical development and riskier loan portfolio. On the other hand, the risk profile has decreased after the successful turnaround and as the quality of loan portfolio is steadily improving. Otherwise, Multitude is now profiled as a profitably growing digital bank.

Strengths and opportunities

Known brands. Especially Ferratum is a known brand in the Nordics, which is the company's largest geographical area. In our view, strong brand helps especially with customer

acquisition and retention.

Moving to lower risk clients decreases impairment losses, reduces regulatory challenges and generally lowers the company's risk profile. Although, the competition in lower risk unsecured loans is also in our view high.

Scalable cost structure. Multitude's cost structure is largely fixed, allowing profitability to scale as the loan portfolio grows. This is reflected in the historically improved cost/income ratio.

Large addressable market with still a relatively low market share. Multitude has estimated its total addressable market (combining all its segments) to be over 50 BNEUR, of which Multitude has a low single digit market share. Therefore, the organic growth potential for Multitude is high if the company is able to be competitive and target the right markets and customers.

Inorganic growth and partnerships. Acquisitions can be a good way to broaden product portfolio or gain economies of scale. Partnerships have proven to be a good way to achieve growth in high-margin and asset-light fee income, which is a positive driver for growth and valuation going forward.

Geographical diversification. Multitude operates in 17 countries in total, so major regulatory changes in a single country, for example, don't have a dramatic impact on the company.

Strong deposit base. Multitude is able to fund its loan portfolio primarily with deposits due to the short maturities of the loans, which is generally a lower cost option compared to capital market debt.

Weaknesses and threats

The business is somewhat dependent on credit cycles but there are also counter-cyclical elements. The demand for consumer loans directly affects the demand environment of the company (negatively e.g. during the COVID-19 pandemic). On the other hand, sometimes the demand for fast unsecured loans may increase in economic downturns and thus, the demand has countercyclical elements as well. Economic downturns can also cause changes in payment behaviors, especially in the "overlooked" customer segment of Multitude.

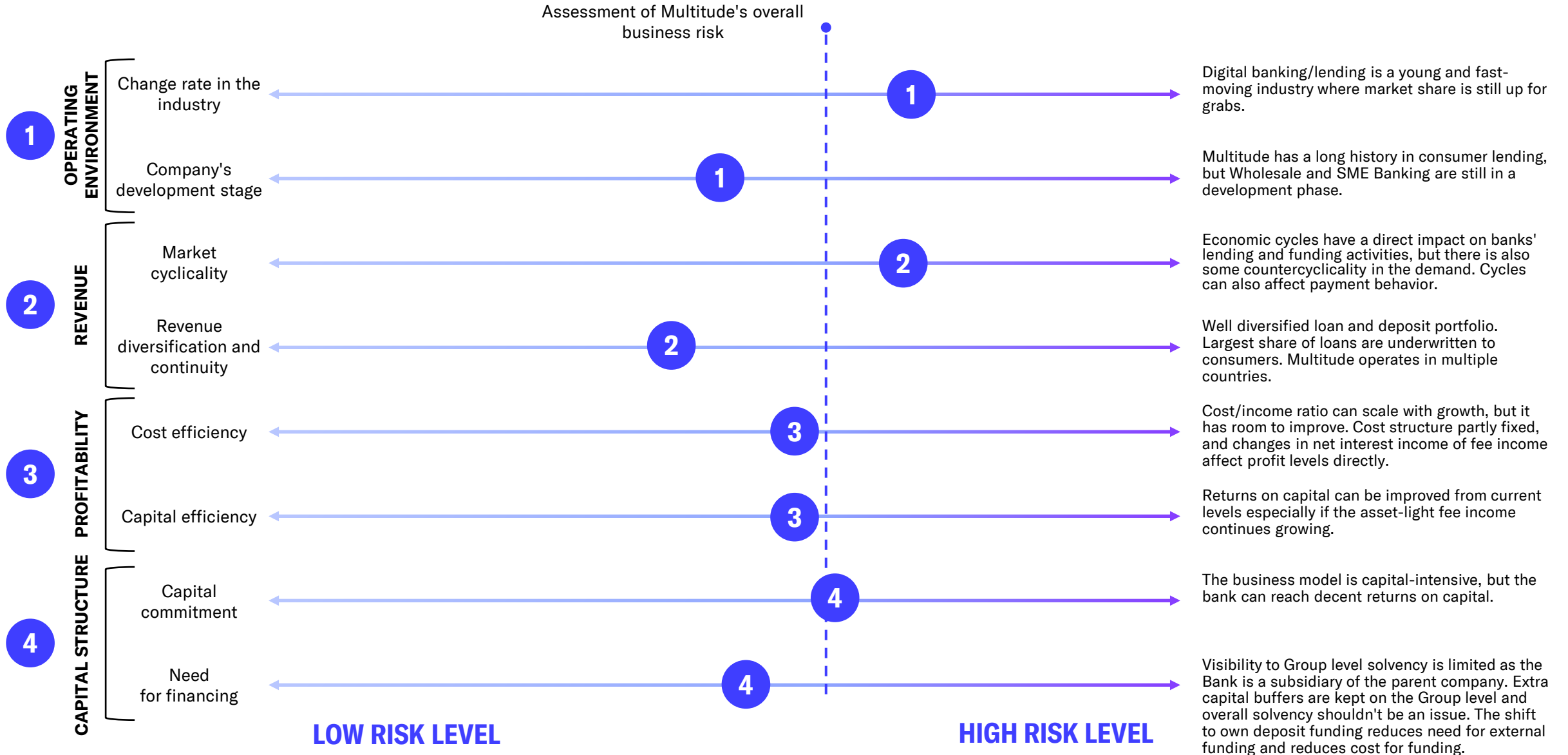
Regulation. Because Multitude is involved in high yield unsecured lending, the company is dependent on, for example, credit policy regulation. We believe that regulation has been one of the reasons that the company has entered and exited many countries of operation at a rapid pace throughout its history. We believe this risk has lowered due to the company's transitioning to lower risk and lower yield clients.

Increased competition. Multitude faces a lot of competition in the neobank/digital banking space and many of the competitors have managed to increase their customer base significantly in recent years. Therefore, Multitude must be vigilant in order to stay with or ahead of the competition.

Any cyber-attacks, misuse of data or other reputational damage could be fatal for the company, as data integrity and security are crucial for the bank's reputation.

Solvency. The visibility towards the Group level solvency and financial situation is somewhat limited as the ratios are reported only on the bank level.

Risk profile of the business



Investment profile

- 1 Large market and low market share make organic growth potential good
- 2 Track record of earnings growth has been strong after COVID-19
- 3 Growth in asset-light fee income supports returns on capital and acceptable valuation
- 4 Fixed costs scale with volume growth
- 5 Regulation can cause significant changes to operating environment

Potential

- Organic growth potential is good
- Continued growth in fee income could support returns on capital and acceptable valuation
- Partnerships can be a scalable way to target new customer segments
- Potential acquisitions to strengthen product range and market position
- De-risking of the loan portfolio reduces the riskiness of the business

Risks

- Increased competition in digital banking/lending industry
- The business is dependent on macroeconomic conditions, but there's also countercyclical elements in the demand
- The loan portfolio consists mainly of high-risk (unsecured) loans, which results in high impairment losses
- Regulatory changes to, for example, interest rate caps can change the working environment

Industry and competitive landscape (1/3)

Overview of the industry

Multitude operates in the European consumer and SME lending industry. In its 2023 Capital Markets Day, Multitude estimated its total addressable market to be around 55 BNEUR, calculated as the potential size of the loan portfolio. According to the company, this only includes customers that are overlooked by traditional banks.

Of the total market, Ferratum's addressable market (consumer credit) is around 25 BNEUR. In terms of loan portfolio, Ferratum's loan portfolio represents approximately 2% of the total market. CapitalBox's total addressable market (SME lending) is around 15 BNEUR, of which it has a market share of around 1%. The total addressable market of Multitude Bank (wholesale banking) is estimated at around 16 BNEUR. Here, the market share is also around 1%. Therefore, the size of the market doesn't really constrain Multitude's growth and Multitude's growth is more dependent on its market share growth than on market growth.

Industry trends and growth drivers

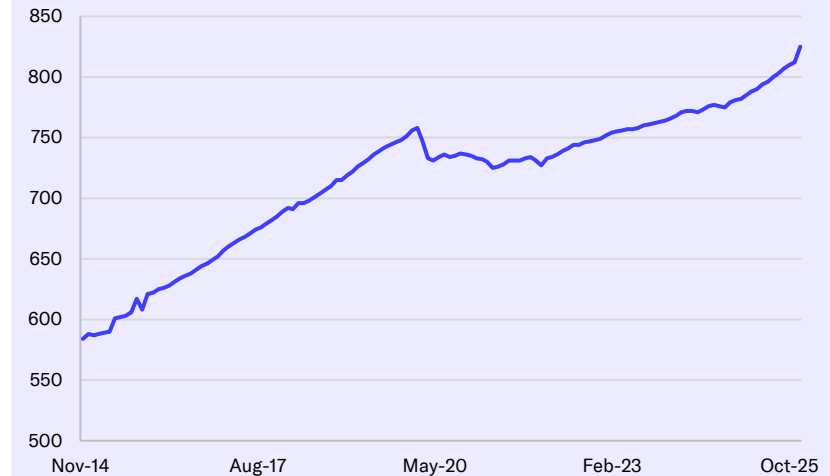
Overall fintechs, digital banks and lenders have experienced significant growth in the last decades, as the industry was basically born in the 21st century and started to gain small market share from traditional banks. The neobanking industry is an example that started to develop especially during the mobile phone era, as mobile banking solutions are often an important part of their offering.

Clear growth drivers for the fintech industry include supportive regulation (e.g., PSD2 enabled third-party providers to access account data from traditional banks) and the growing acceptance of new banking technologies

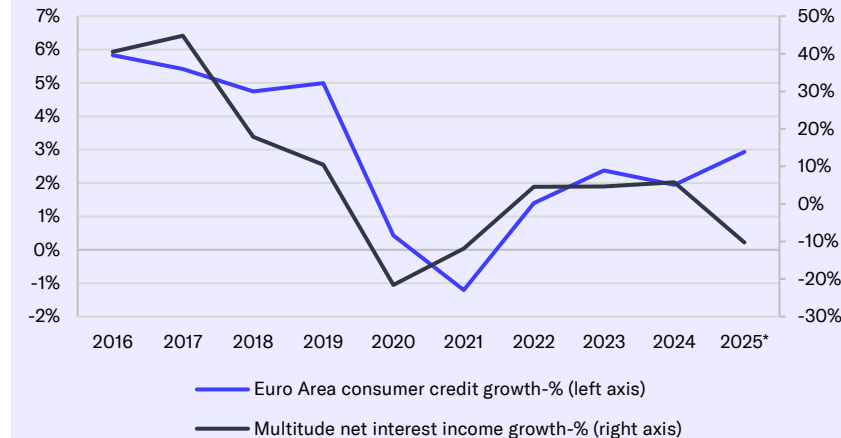
among consumers and SMEs. This has resulted in digital banks taking market share from traditional banks. For a long time, the sector was a rather small niche compared to the overall banking industry, but the continued fast growth has made them relevant players in the bigger banking industry. The digital banks / neobanks have also transitioned from "growth at all cost" –phase to a clearly more mature phase, where reaching profitability has become more important. Many players have also commented that they're planning an IPO, which is a proof of maturing and "financialization" of the industry. The digital banks / neobanks have also continued to move from single product strategies further into multi-product strategies and thus moving more into the markets of traditional banks. As an example, some players are possibly even starting to offer mortgages (Revolut). In general, the valuation levels of neobanks have continued to be very high compared to traditional banks.

In a broader sense, when looking at Multitude's Consumer Banking business unit, the amount of total consumer credit drives the digital consumer lending industry. As can be seen from the chart, the amount of consumer credit in the euro area grew rapidly and quite steadily before the COVID-19 pandemic. The annual growth rate of consumer credit during 2015-2019 was around 4-6%. At the start of the COVID-19 pandemic, there was a small but sharp decline in the amount of consumer credit. The decline was partly due to the decrease in spending during the first phase of the pandemic, which naturally affected the demand for consumer credit. Another possible factor in the decline was the tightening of credit policies throughout the euro area.

Euro Area Consumer Credit development (BNEUR)



Euro Area consumer credit and Multitude net interest income growth-%



* Divestments in 2025

Source: Trading Economics, Inderes, Multitude

Industry and competitive landscape (2/3)

The total amount of consumer credit returned to growth in 2022, and growth has been fairly steady since then. The growth rate has been lower than in the pre COVID-19 era, but in 2025 the growth has started to pick clearly.

A relevant growth driver for players in SME lending is the SME financing gap (the number of SMEs requiring external financing vs. the availability of external financing). According to the ECB's SAFE report, this gap has widened significantly, especially from 2022 onwards, when interest rates started to rise and the economic outlook in Europe weakened. The reduced availability of SME finance is a trend that supports the demand for alternative lenders such as CapitalBox. During 2024-2025, the gap between funding availability and demand started to narrow, but in the end of 2025 the gap started to widen again. Due to the financing gap of SME companies, neobanks have become major players in this field. For example, in the UK neobanks provide already 60 % SME financing according to Oliver Wyman.

Of course, in general, the amount of euro area loans to non-financial corporations is a market indicator to follow, although it also includes larger corporations and serves as a very high-level proxy of the market.

Regulation can cause changes to the operating environment

Consumer credit markets are sensitive to regulatory changes, and the regulatory space can also move quite quickly. For example, in Finland (one of Multitude's largest markets on consumer loans), the scope of the interest rate cap was expanded in 2019. Then the cap itself was temporarily tightened to 10% in October 2020, but the cap returned to 20% in September 2021 (after which the cap

was permanently lowered to 15% in 2023).

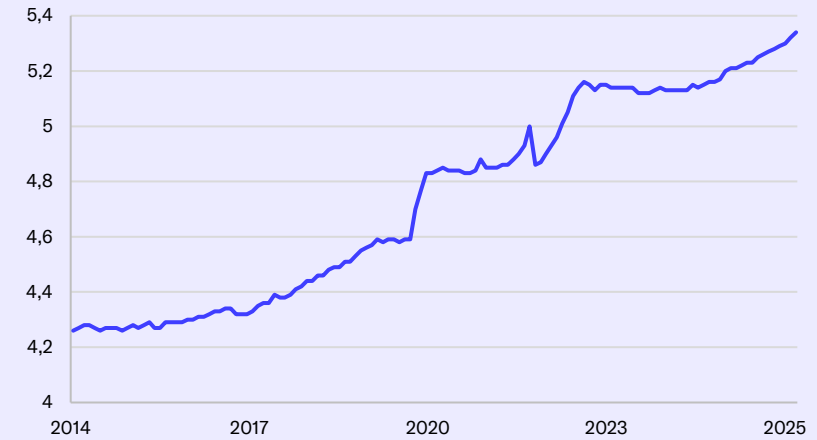
Tighter credit policies naturally limit the interest rate that Multitude (or Ferratum when it comes to consumer credit policies) can charge on its loans. This can force Multitude to move into lower yielding and less risky customer segments, which it also has done.

Tighter credit policies aren't always bad for Multitude, as tighter regulation can drive other competitors out of the market, allowing Multitude to increase its market share. In our view, the best situation for Multitude would be a stable and predictable policy.

Other relevant regulation has been the so-called "Second Consumer Credit Directive" (CCD2) that was adopted in EU in September 2023, which added regulations on consumer credit to protect consumers and facilitate a common market for consumer credit in the EU. The new directive adds some elements to the old CCD1 directive. The new directive does not include EU-wide hard caps on interest rates or total cost of credit but leaves the responsibility for these to the member states. EU member states had until November 2025 to transpose the CCD2 provisions into their national legal systems and until November 2026 to apply them. As far as Multitude is concerned, CCD2 shouldn't cause any major changes as the company is already compliant and it has no micro-loans nowadays. The biggest impact of the new directive will be on "Buy Now, Pay Later" providers.

Other relevant regulations that are affecting the market are for example DORA, PSD3 and Artificial Intelligence Act. Thus, the overall regulatory burden in the market is getting heavier.

Euro Area Loans to non-financial corporations (trillion €)



Industry and competitive landscape (3/3)

In terms of regulation, we believe that SME lending is much more relaxed and there are no interest rate caps like there are in consumer lending. This makes the business environment a little more predictable.

Competitive landscape

Multitude faces a diverse competitive landscape rather than a one clearly defined group of competitors. In our view, Multitude's competitive landscape consists mainly of digital banks specialized in SME and consumer lending and to some extent neobanks operating in the Nordics and Europe. Neobanks try to challenge traditional banks in all their product categories and everyday banking services such as accounts, cards and payments are an important part of their core offering. The core offering of consumer and SME lenders is mainly credit products, and daily banking services are not as important. As a result, net interest income is clearly the largest income stream for this group, and for the neobanks fee and commission income plays a larger role. In our view, banks specializing in SME and consumer lending are a more relevant competitor group for Multitude, as most of their income comes from lending activities.

Because competitors are not tied to a physical banking network, they are often able to operate in multiple countries. Many players in the space are active in both consumer and commercial banking, but some players are more focused on one or the other.

The competitive field is quite broad and the European neobank/digital banking industry is still rather unconsolidated. In our view, it's difficult to develop sustainable competitive advantages in this sector, as the offerings of the companies are quite similar.

Neobanks have grown very rapidly in recent years and have managed to attract large numbers of customers. The neobanks are mostly unlisted, but they are maturing fast and several companies have been in the talks of planning for IPO. Multitude's relevant competitors in the neobank group include bunq, Lunar, N26, Revolut, Starling Bank, Qonto, October and OakNorth. These companies operate on a fairly large scale in Europe. For some neobanks, lending products play a minor role in their revenues, so not all of these companies are very relevant competitors.

The group of digital banks specializing in SME and consumer lending is, in our view, the most relevant group of competitors for Multitude, although they tend to focus on slightly larger loans with longer maturities. Multitude is also slightly trying to move into this space as it has given up micro loans and focuses more on secured loans. This group is generally more growth-oriented than larger, more traditional banks. Compared to the neobanks, however, they are in a more mature phase, with most of the companies being profitable and some being listed. Relevant competitors in this group include Norion Bank, Bank Norwegian, Nordax Bank, Resurs Bank, Svea Bank, TF Bank, Bigbank, Lea Bank and Instabank. These companies operate mainly in the Nordic and Baltic countries and also in some Central European countries.

In addition to the aforementioned groups, there are other types of competitors that focus on a specific niche. Examples of this group are Klarna (Buy Now, Pay Later banking) that did a big IPO in the US in 2025 and Holvi (daily banking for SMEs) in Finland.

Multitude doesn't view traditional banks as competitors because Multitude specifically targets customers overlooked by traditional banks.

Multitude's competitive field

European neobanks:



Nordic/Baltic digital banks specialized in SME and consumer lending:

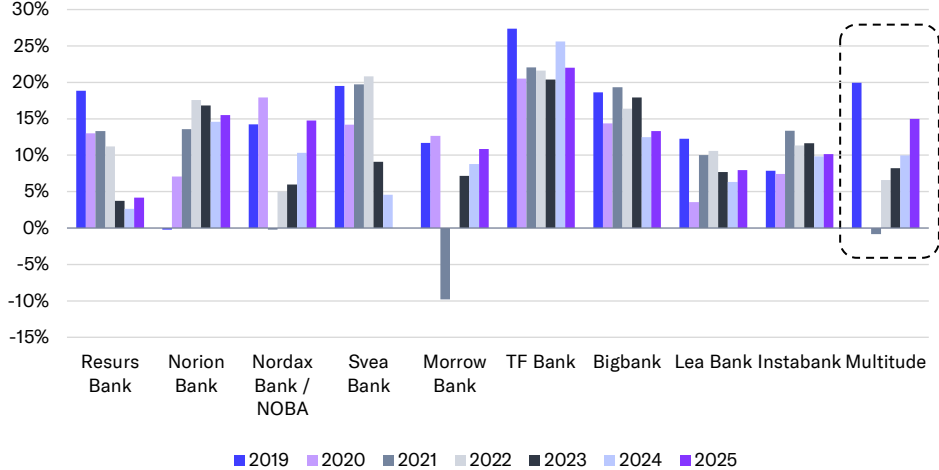


Example of other competitors:

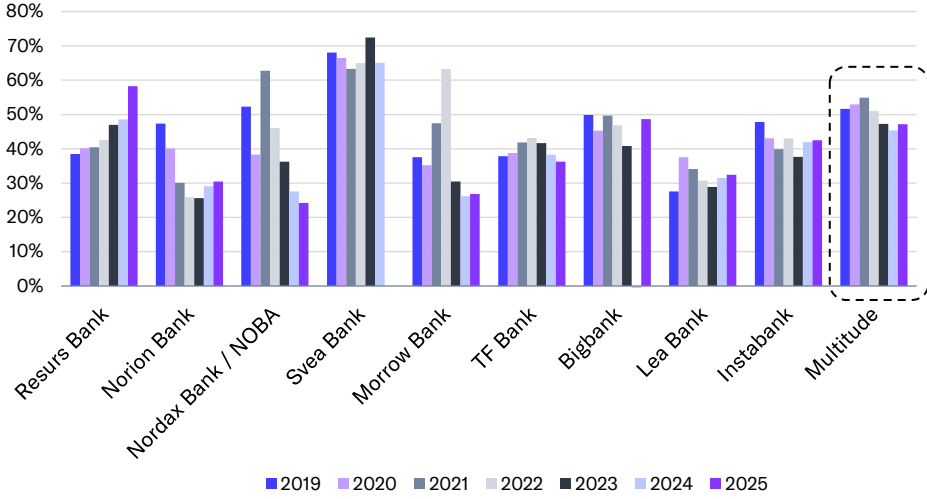


Key numbers of competitors

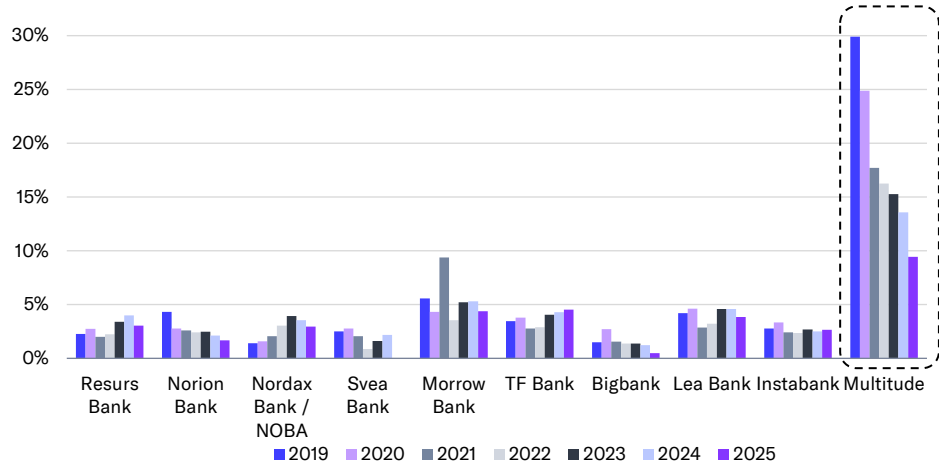
Peer groups return on equity (ROE)



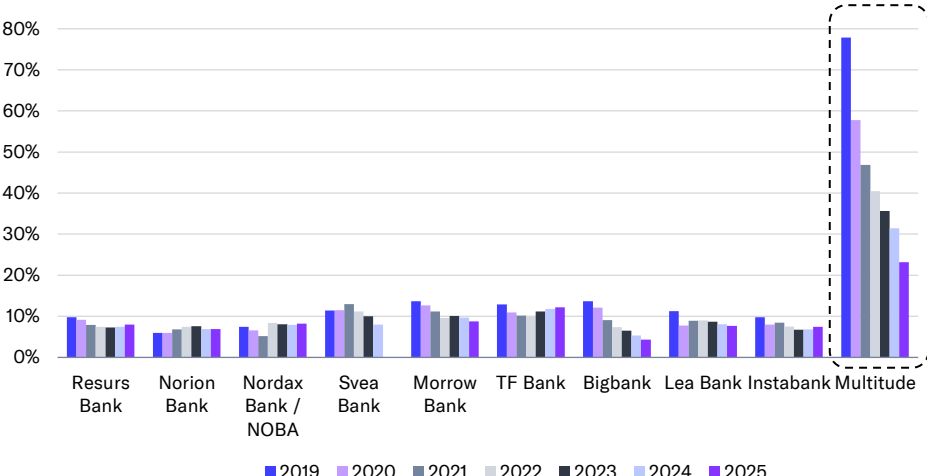
Peer groups cost/income ratio



Peer groups impaired loan coverage ratio- %



Peer groups net interest income- %



Strategy and financial targets (1/4)

Profitable growth by serving overlooked customers

Multitude held a Capital Markets Day in late 2025, where it presented its updated strategy. The main pillars of the strategy remained the same. The company's growth strategy has three main pillars: organic growth, partnerships and M&A. Through these pillars, the company targets high profit growth. Multitude's target segment remains customers (consumers, SMEs and other fintechs) that are overlooked by traditional banks, which has been a niche where the company has succeeded in history (especially among consumers). Multitude aims to democratize financial services through digitization, making them fast, easy and green. Multitude's vision is to build the most valuable financial platform for this customer segment.

Growth platform as a growth enabler

According to Multitude, the backbone of its growth strategy is its internal growth platform. The internal platform includes the compliance framework, banking license, technology stack, big data & AI, product library and customer management. The growth platform enables scalable growth, for example when expanding to new countries or new business lines. It also enables the company to find suitable M&A targets, which it can then include in its functioning platform. The platform or the systems it includes, has also enabled to commercialize solutions than have originally been built purely for internal purposes, such as the Payment Solutions.

Main focus is on organic growth

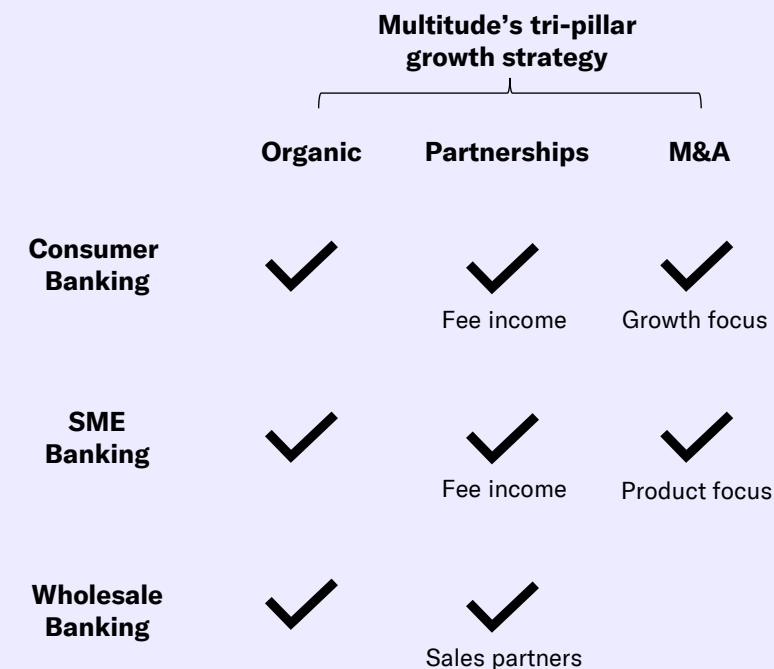
The main drivers of organic growth are product and country portfolio expansion. Multitude has a history of expanding into many new geographies but also exiting them quickly. A

typical reason for exiting a particular market in the past has been unfavorable risk/reward patterns, not finding the right customer segment or unclear regulation, which has made the operating environment harder to navigate in. Thus, it has been easier to just exit the market. At this stage, we do not believe the company has any plans to exit any of its current markets. We think it is more likely that the company will try to expand and test new markets in the future. We believe the main focus remains Europe.

The product portfolio has also been consistently developed throughout history, although this source of growth has been mixed with the M&A strategy, as new product areas have also been acquired through M&A (For example Omniveta / invoice purchasing). The company was founded with the consumer credit business (Ferratum) and related products still form the backbone of the company. Throughout its history, the company has expanded organically into new areas such as daily banking through SweepBank & SME lending through CapitalBox. SME lending was established in 2015, but it's still in a turnaround phase as it's still loss-making. Wholesale Banking is a recent example of a very successful organic business line expansion.

Partnerships form new possibilities

Partnerships are another key growth driver for Multitude. Partnerships can include channel allies, white label partners and service provider partners. This strategy has started bearing fruit already in 2025, when Multitude divested its Micro Loan businesses (Consumer Banking) and now generates fee income from the businesses by serving them Multitude's lending platform.



Strategy and financial targets (2/4)

Other examples of potential partners are online stores where Multitude can offer its lending products (integrated with the partner's system). In our view, good partnerships can be a significant growth driver for the company, allowing it to expand into entirely new customer groups. Growth via partners is also clearly more asset-light than growing organically via loan book growth.

M&A strategy can be divided into three pillars

Inorganic growth through acquisitions is also part of Multitude's strategic toolbox. Multitude has three distinct strategies when looking at potential M&A targets. In the first pillar, the strategy is to look for targets that purely help Multitude to grow its loan portfolio, with the aim of achieving synergies through increased economies of scale. In particular, the acquisition of Dutch SME lender Spotcap in 2020 falls into this category.

In the second pillar of M&A, Multitude looks for targets where it can expand into new countries or product areas. The acquisition of Omniveta (Denmark) in 2024 can be included in this category, as the company entered invoice purchasing with this acquisition. The invoice purchasing product is currently being rolled out in Finland and Netherlands.

In the third pillar, Multitude looks for targets where it can enter completely new business areas that it can add to its platform. Minority investments in financial comparison platform Sortter Oy (19.97% stake) and Lea Bank (29.7% stake) are included in this category. The investment in Lea Bank (shares bought in 2024 and 2025) has been a significant step for Multitude as the investment has totaled around 30 MEUR. Through the ownership, Multitude gains more exposure to higher quality loan assets (Prime Loans), where Lea Bank is relatively stronger than Multitude. With

the deal, Multitude has aimed to create opportunities for strategic cooperation and synergies in the future, but concrete plans regarding these are not yet clear to our understanding. This has been a slight disappointment since it's already about 1.5 years from the first investment. However, the investment has been so far a success only from a financial standpoint (share price increased + dividends).

Ambitious financial targets

Multitude's guidance / financial targets for 2026-2028 are:

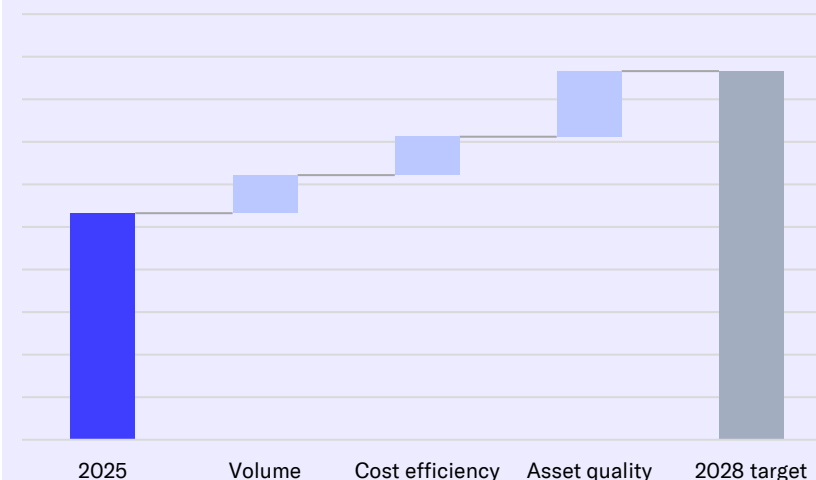
- Net profit **guidance** for 2026: 30 MEUR
- Net profit **guidance** 2027-2028: 20 % increase p.a.
- Cost/income ratio 40 % (**target**, not a guidance)
- Return on Tangible Equity +20 % (**target**, not a guidance)

We view the net profit level guidance's to be very ambitious. They would basically imply a 36 MEUR net profit for 2027 and 43.2 MEUR net profit for 2028. Despite the high ambition, we see the drivers for clear profit improvements to be reasonable. The credibility of the guidance's is boosted by the fact that the company has managed to reach its multi-year guidance given in 2021 every year.

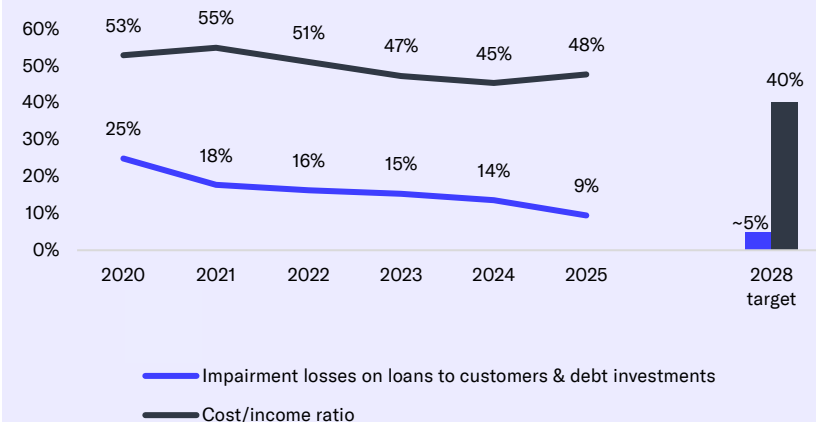
Contributing factors for the expected profit growth in 2026-2028 will be continued volume growth, cost efficiency and asset quality.

Regarding cost efficiency, the company sees potential in further automation of processes especially through the use of AI, elimination of non-core activities and leaner Group structure. Some proof of this has already been seen in 2025, as the company has reduced the number of its legal entities.

Targeted elements for profit growth



Impairment loss and cost/income ratio development



Strategy and financial targets (3/4)

Perhaps a more significant factor in the expected profit growth is improved asset quality, where the company expects to see the positive impairment loss trend to continue with enhanced scoring and underwriting systems, as well as a continued improvement in loan portfolio composition (more secured loans and recurring revenue streams). The company has for example given up on Micro Loan business (divested in 2025).

Another driver on the cost side is replacing third party deposits with own deposit sourcing. So far, the company has mainly relied on third-party deposits, which are somewhat more expensive for the company, but the share of own deposits has already been growing (in 2025 already more than 50 % own deposits).

The financial targets included a capital efficiency related target for the first time. This is important, since for a bank, the amount of capital the company needs to grow its profits, is very crucial when it comes to shareholder value creation.

Consumer banking will rely more on partnerships and M&A in the future

On top of the Group-level targets, the company has segment level targets for profit growth. If they were to materialize, the profit generation of the Group would diversify meaningfully (now Consumer Banking is mainly responsible for the profit), which we would find positive.

Consumer Banking (Ferratum) targets +10% EBT growth (CAGR) for 2026-2028 (2025: 32.8 MEUR). Here the growth strategy relies on the three main pillars, although partnerships and M&A will take a larger role in growth in

the future. We also believe, that Multitude's M&A strategy is currently focused on the Consumer Banking targets. The segment is currently making most of the Group's profits, and reaching the target would be a large contributor to the Group's profit growth. A clear profit growth enabler for the segment will be scaling through partnerships, in which the company can operate both via B2B2C and B2C models.

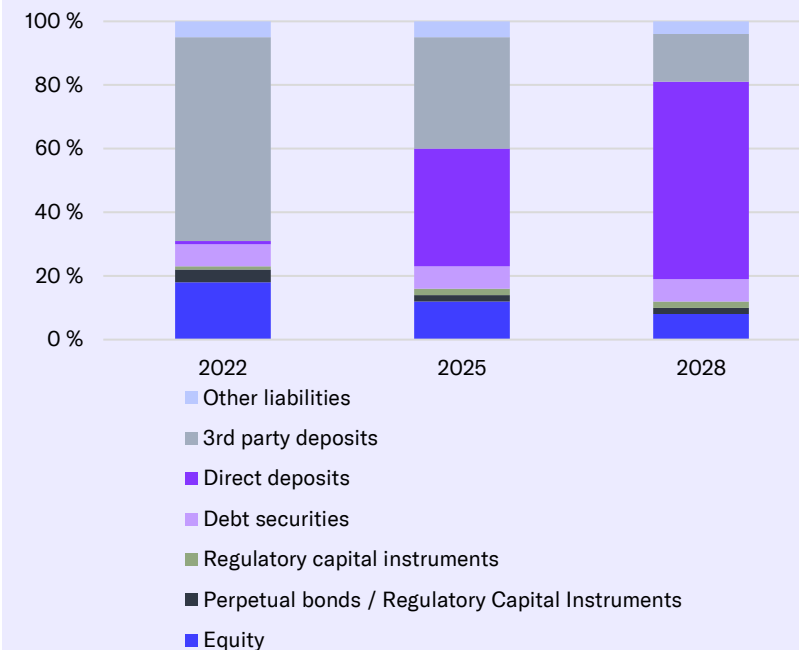
SME Banking is in a turnaround phase

SME Banking (CapitalBox) has been lagging in terms of performance as it has been loss-making for the majority of time since its inception. In history the segment has struggled with balancing growth and profitability initiatives.

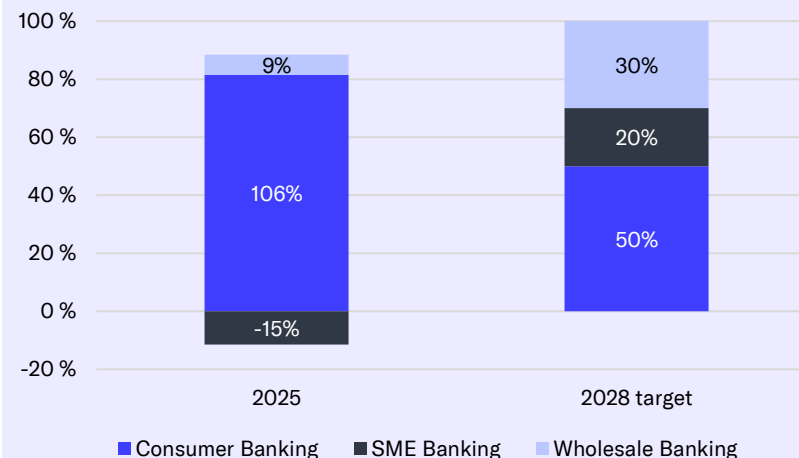
In 2025, the segment made a -4.6 MEUR EBT. Thus, the segment is still clearly in a turnaround phase, but the trend is currently good (2024: -10.7 MEUR). The segment now targets single-digit positive EBT in 2026 followed by 50 % EBT growth per annum.

The company sees a few key pillars to improve the segment's profitability: lowering credit losses, growth in repeat borrowing and continued growth. Considering the track record, we are most cautious about the performance of SME Banking. We believe the industry dynamics is somewhat different in SME lending than on the consumer side. And the track record so far indicates that Multitude's competitive edge is clearly in the Consumer Banking. The future vision of the segment is to expand beyond lending and creating a multi-service SME platform (lending + payments, cards and accounts), but currently we believe the company is focused on making the core business profitable.

Development and targets of funding*

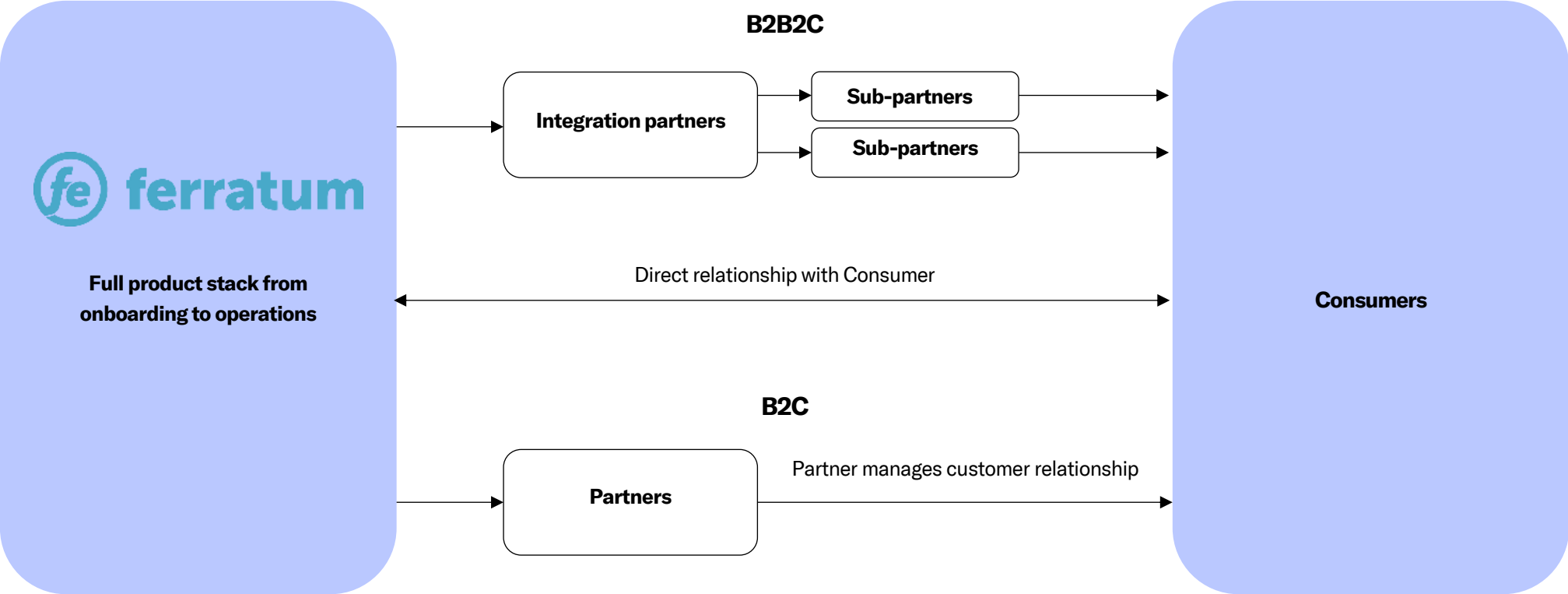


2025 profit distribution and 2028 target



*Partly Inderes' estimate
Source: Inderes, Multitude

Consumer Banking's different partnership strategies



Platform-powered growth
Partners use Ferratum's ecosystem and underwriting capabilities to launch digital credit and savings products

High-margin & asset-light revenue
Generates recurring fee income without direct CAC (customer acquisition cost) or balance-sheet exposure

Ecosystem expansion
Extends Ferratum's reach through FinTechs, retail brands, and digital platforms

Source: Multitude (CMD 2025)

Strategy and financial targets (4/4)

Wholesale Banking has been a success story so far

The Wholesale Banking segment was founded only a few years ago and now it has a loan portfolio + debt investments of close to 250 MEUR and the segment is already contributing to the Group's profit. The segment targets a +50% EBT growth (CAGR) in the next three years. We think this should be possible as the base number from 2025 is rather modest (2.8 MEUR) and the loan book growth from 2025 already give a good start for 2026.

Dividend policy

Multitude aims to pay out 25-50% of its net income as dividends. It's good to note that Multitude's bond documentation includes a covenant that prohibits the distribution of more than 50% of net income if the net equity ratio is below 25% (2025: 21.8 %). Due to the nature of the business model, paying dividends has to be balanced with the company's growth ambitions.

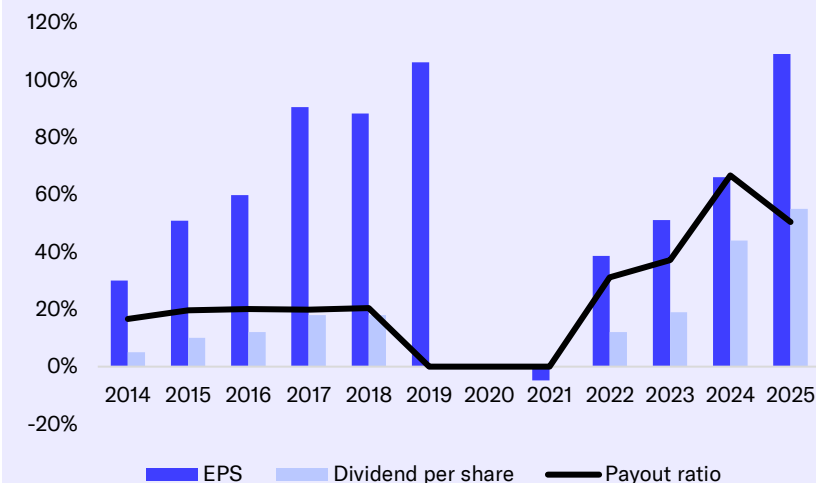
It's worth noting that the interest on the perpetual loan is not included in the income statement and net income (deducted from EPS). Thus, the distributable cash flow to shareholders is lower than the net income indicates.

Multitude continued paying dividends in 2023 (from 2022 profit), although with a low payout ratio. In 2025 (from 2024 profit) the company paid a larger dividend (EUR 0.44 per share, 47 % of net profit) of which EUR 0.20 was extraordinary dividend.

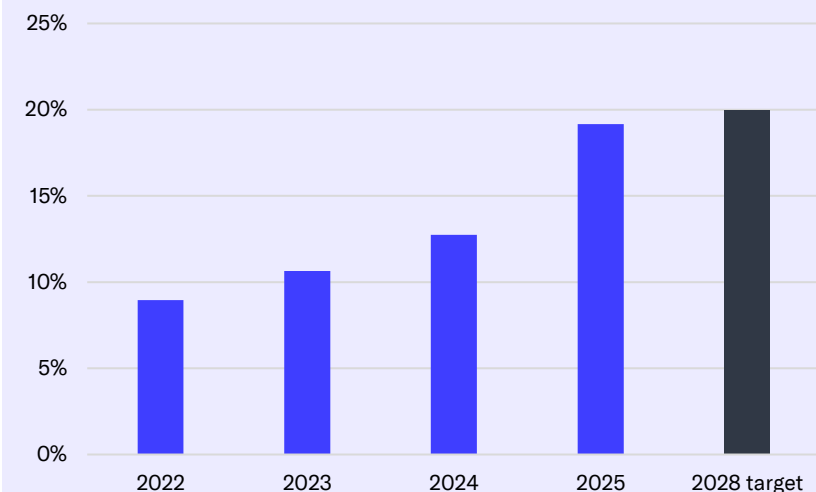
In 2026, the company continues with a higher payout ratio as the Board proposed a EUR 0.55 dividend per share. This is also at the higher end of the payout ratio (44% of net profit). A high dividend is somewhat questionable as the company just

recently raised rather expensive capital through perpetual notes, but in our view the proposal signals management's confidence in the Group's capital position and profit growth outlook. Given the higher payout ratios in the last two years, we believe the company will continue with a payout ratio closer to the upper end of the policy range going forward as well.

EPS, DPS & payout ratio development



Return on Tangible Equity and target



Estimates (1/3)

Basis of our estimates

Although fee income has grown its importance as an income stream for Multitude, net interest income (NII) represents still clearly the majority of Multitude's topline. We forecast its development by estimating the growth of the loan portfolio, estimating the development of the ratio of gross interest income to the loan portfolio and the cost of funding. We estimate net interest income for all of Multitude's different segments as the NII-% differs meaningfully between segments. We estimate fee income separately on the Group level (currently fee income comes from Consumer Banking and Wholesale Banking). Additionally, income from associates is nowadays a relevant income stream for the company due to the 29.7 % stake in Lea Bank. Historically, the company has included this item in net operating profit, but going forward the company will report it lower in the P&L (separated from operating activities). This change lowered our topline estimates but had no impact on profit estimates. Otherwise, we have made some minor changes to our estimates mainly regarding perpetual interest and dividends (both estimates up).

In general, Multitude's net operating income (all income items totaled) is fairly predictable, as the loan portfolio doesn't make large movements in either direction in the short term. However, compared to a traditional bank, the forecast risks are higher, for example due to the shorter maturity of the loan portfolio.

The NII-margin has lowered meaningfully during the last year as the company has moved to lower risk customers (also lower impairment losses) and we expect this trend to

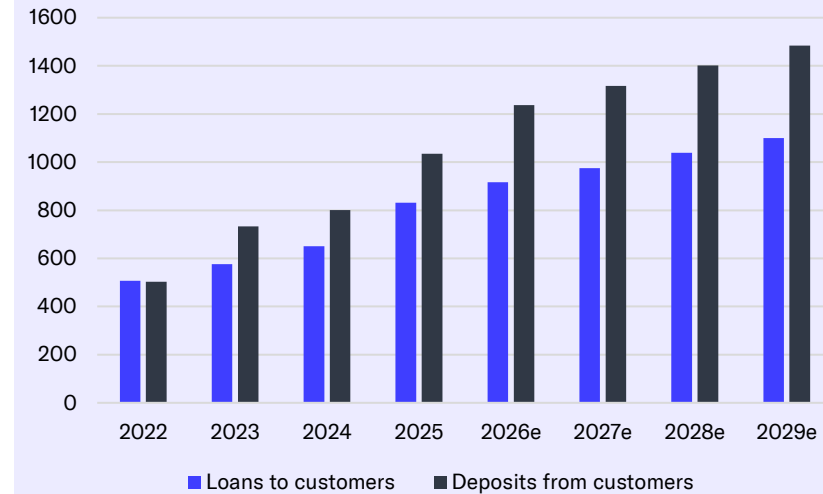
continue. We believe that the big drop in 2025 was due to divesting Micro Loans businesses and thus, we don't expect as big drop going forward. The trend in funding costs (interest expense) was still decreasing in 2025 as the company still has some longer term-deposits from the time when interest rates were higher. The trend of decreasing funding costs is most likely over now due to the sharp increase in interest rates caused by the current geopolitical situation in Iran. The effect will naturally be dependent on to which level the rates will stabilize.

We expect the loan portfolio to continue to grow in the coming years. Consumer Banking will remain by far the largest loan portfolio, but we expect the growth rate to be somewhat higher in the more "early-stage" SME Banking and Wholesale Banking businesses.

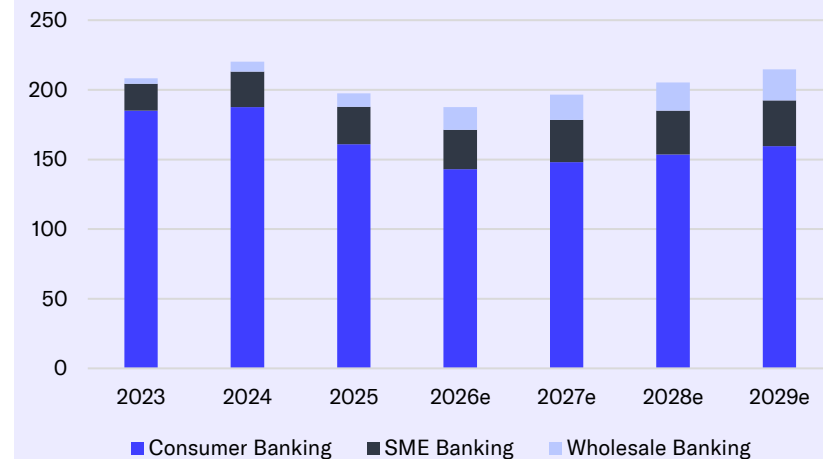
We expect the fee income to continue growing in the coming years, although the growth rate will naturally decrease from 2025 when fee income multiplied. The fee income is currently coming from two partners in Consumer Banking and Payment Solutions customers in Wholesale banking. Since the businesses are still small, there is also lot of uncertainty in the estimates. The effect of churn of a single customer would be big, but also a single new larger customer can cause significant growth. In 2026-2027 the company will also still get some one-time earn-outs from the divested Micro Loan entities (seen in other income).

When it comes to profit, we only estimate profit for the whole group, even though the company reports profit for the different segments. However, we naturally take the profit trend of the different segments into account in our estimates.

Loan portfolio and deposit estimates (MEUR)



Net interest income estimates by business units (MEUR)



Estimates (2/3)

In practice, after changes in the topline, Multitude's profitability is determined by the level of impairment charges and fixed costs. We expect the impairment losses relative to the loan portfolio to continue to decline although we expect the slope to moderate from 2025, which was supported by the Micro Loan divestments.

The quality of the loan portfolio should still continue to improve given the company's strategy of moving into less riskier customers (growth in secured loans). The macroeconomic situation can naturally cause risks to impairment development going forward if it has effects on the payment behavior. As the impairment losses are a big and fairly volatile cost item, we see it as the main source of uncertainty in our earnings estimates.

On the cost side, we believe the company has room to be more efficient. This is highlighted by the company's target, which is clearly below current level. We expect costs to grow at a slightly slower pace relative to total operating income in the coming years. This results in a marginally declining cost/income ratio in the coming years, according to our estimates (2026e-2029e: 47.1-45.3%).

Asset quality must be monitored to ensure profitable growth

We believe that demand for Multitude's loans isn't a bottleneck to growth and that Multitude could grow even faster than we estimate if it were to lower its asset quality standards. In our view, this would be unwise as it would lead to higher impairments, potentially making growth unprofitable (return on equity below cost of equity). Overall, we believe that the company has the potential to grow in line with or slightly above the average growth of consumer and SME loans in the company's chosen markets with

sufficient asset quality. Long-term visibility is naturally low. As a digital bank, Multitude is more sensitive to external macroeconomic shocks or regulatory changes, which are always difficult to predict.

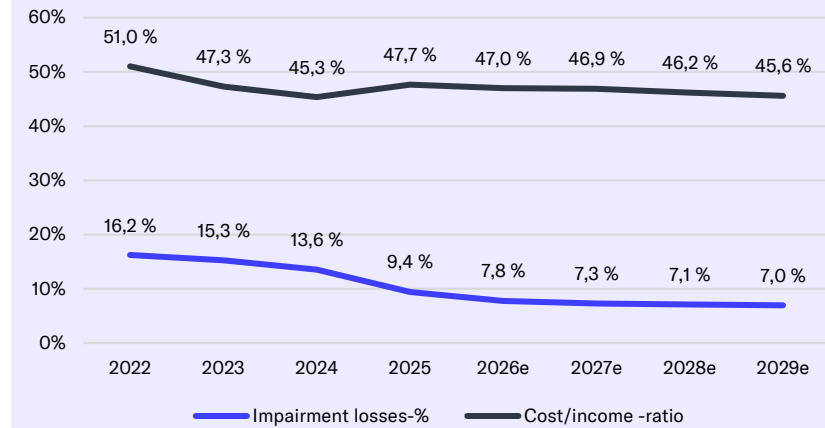
Capital requirements force the company to balance between growth and dividends

Multitude Bank's total capital ratio was 22.0% at the end of 2025, while the minimum ratio is 16.95%. Thus, there is a lot of room to more in terms of solvency for the bank. Additionally, the company holds capital and the Group level, that could be used as capital injection for the bank if needed. Overall, the access to capital of the bank has improved, as the bank was able to raise Tier 2 –capital from investors in 2025 for the first time (typically Group has raised capital). Anyway, the company has to strike a balance between its growth ambitions and dividend payments. We expect the company to be able to grow in line with our estimates while paying out 25-50% of net income as dividends. Given the larger dividends in the last two years, we believe the payout ratio will be at the higher end of the range in the coming years also as we believe the company will want to increase its dividend each year. If profitability were to weaken significantly, the company would naturally have to reduce its payout as well.

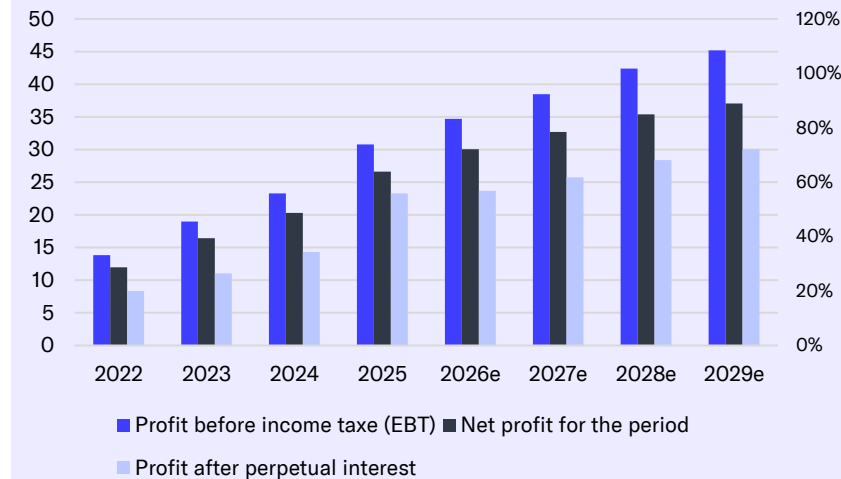
Estimate changes

We have made only minor estimate changes in this report (seen in Income statement slide). We have slightly shifted the profit distribution within 2026 more towards H2. We also slightly lowered our NII estimates and increased our fee income estimates. The largest changes were made to our dividend estimates, which we increased substantially.

Impairment loss and cost/income ratio forecasts



Earnings (MEUR) estimates



Estimates (3/3)

2026 estimates

Multitude has guided that the net profit for 2026 will reach 30 MEUR (2025 26.6 MEUR). In our view, reaching the guidance is not a walk in the park, but doable. Our estimate is in line with the guidance at 30.0 MEUR.

We expect the NII of Consumer Banking to decline still 9% to 146.8 MEUR driven by divested Micro Loan businesses and interest cap changes in Sweden. We expect the NII of SME Banking to grow to 5% to 28.4 MEUR and Wholesale Banking to grow 62% to 15.6 MEUR thanks to its growing loan portfolio. We expect the net fee and commission income to grow to 21.1 MEUR (2025: 13.2 MEUR). We expect the net operating profit overall to decline 2.5% to 209 MEUR, but if including the income from associates, we expect flat development. Income from associates (mainly Lea Bank, but also Sortter is turning profitable) is nowadays a meaningful profit driver for the company.

We expect the total operating costs to decline slightly to 100.8 MEUR (2025: 102.3 MEUR) driven by overall high cost-focus and for example reduced number of legal entities. We also expect the impairment losses to reduce slightly to 78.6 MEUR (2025: 81.6 MEUR). A meaningful part of the net profit growth comes from income from associates that is growing purely due to the increased stake in Lea Bank. Also, to our understanding, Sortter has recently turned profitable supporting this item.

Multitude refinanced its 45 MEUR perpetual bond with a 70 MEUR perpetual bond during Q1'26. This will cause a significant increase in the interest of the perpetual bond. This is not seen in the net profit level, but it affects EPS. Due to this, we expect a flat EPS for 2026 (EUR 1.07) even though we estimate net profit to increase clearly.

2027-2029 estimates

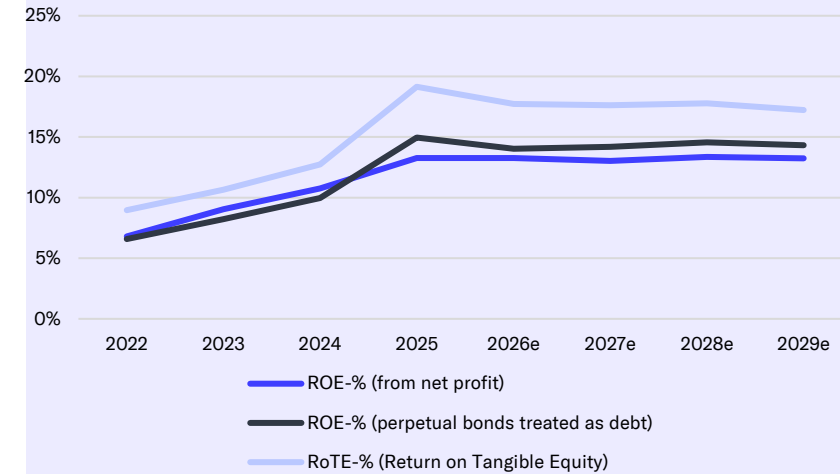
We estimate Multitude's growth to accelerate in 2027 due to ending the net interest income headwind from last 2025 divestments. We expect total net operating profit to grow 5% to 219 MEUR. We expect all segments to support growth, with the growth rate being slowest in Consumer Banking (NII estimate +4%) and clearly faster in SME Banking (NII estimate +7%) and Wholesale Banking (NII +17%).

From 2027 onwards, we estimate the absolute operating costs and impairment losses to continue growing, but the relative ratios to continue declining marginally. We estimate Multitude's net profit to reach 33.5 MEUR, which would be clearly lower than the company targets (+20% per annum growth from 2026 ie. 36 MEUR in 2027). In addition to uncertainty regarding Multitude's operational performance, the earn-outs from 2025 divestments and profit from associates (Lea Bank) cause uncertainty to the profit development. We estimate the EPS to land at EUR 1.20 for 2027.

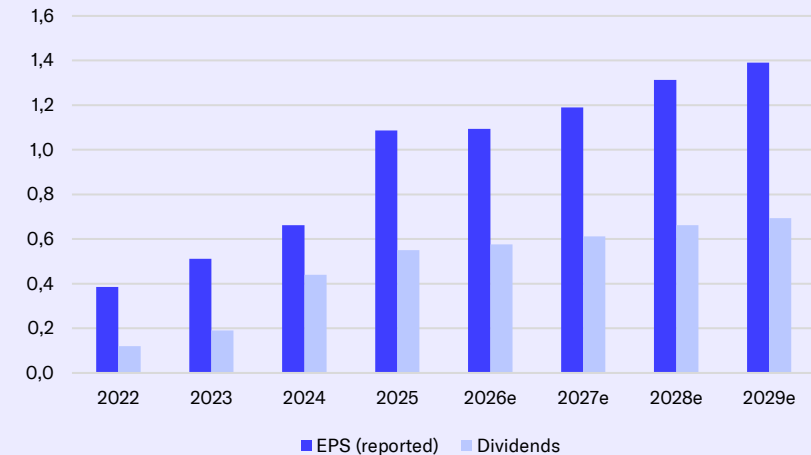
We estimate Multitude's topline to continue growing at 5% in 2028 and net profit to improve to 36.8 MEUR. This is again clearly below the company ambitious profit growth targets that would imply a 43.2 MEUR net profit for 2028. With our estimates Multitude reaches slightly above 17% Return on Tangible Equity in 2028, while the company targets a 20% ratio in 2028. From this angle, our estimates are not that far from the company's targets, highlighting that reaching the targets is possible with excellent strategic implementation.

In 2029, we estimate Multitude's topline to continue growing at 5% and net profit to improve to 38.3 MEUR. Naturally, there is a lot of uncertainty when it comes to estimates ranging this far.

ROE-% estimates



EPS and dividend forecast



Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Total net operating income	219	55,9	54,8	52,3	51,9	215	49,4	51,9	53,5	54,7	209,5	218,4	229,0	238,4
Consumer Banking (Net interest income)	185	45,4	43,4	37,2	35,0	161	34,8	35,3	35,9	36,9	142,9	148,2	153,5	159,5
SME Banking (Net interest income)	19,3	6,8	6,7	6,8	6,7	26,9	6,7	6,9	7,2	7,5	28,4	30,2	31,5	32,8
Wholesale Banking (Net interest income)	3,8	1,9	2,1	3,0	2,7	9,6	3,4	4,1	4,5	4,3	16,3	18,2	20,2	22,3
Net fee income & other income*	-4,2	1,8	2,5	5,3	7,6	17,2	4,5	5,6	5,9	5,9	21,9	21,8	23,8	23,8
Total operating costs	-99,3	-25,4	-26,5	-26,2	-24,2	-102,3	-24,4	-25,7	-25,1	-25,5	-100,8	-105,0	-108,5	-111,4
Impairment losses	-96,4	-22,2	-20,2	-19,0	-20,1	-81,6	-20,2	-19,7	-19,4	-19,7	-79,0	-80,4	-84,1	-87,8
Income from associates*							1,2	1,3	1,2	1,3	5,0	5,5	6,0	6,0
EBT (excl. NRI)	23,2	8,3	8,0	7,0	7,5	30,8	5,9	7,8	10,2	10,8	34,7	38,5	42,4	45,2
EBT	23,2	8,3	8,0	7,0	7,5	30,8	5,9	7,8	10,2	10,8	34,7	38,5	42,4	45,2
Taxes	-3,0	-1,1	-1,1	-0,9	-1,1	-4,1	-0,8	-1,1	-1,4	-1,5	-4,7	-5,8	-7,0	-8,1
Net earnings	20,2	7,2	6,9	6,1	6,4	26,6	5,1	6,8	8,8	9,3	30,0	32,7	35,4	37,1
Interest on perpetual loans	-5,9	-1,2	-0,9	-0,7	-0,5	-3,3	-1,1	-1,8	-1,8	-1,8	-6,4	-7,0	-7,0	-7,0
EPS (adj.)	0,66	0,28	0,28	0,25	0,27	1,08	0,18	0,23	0,33	0,35	1,09	1,19	1,31	1,39

Key numbers	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Net operating income growth-%	7,4 %	0,6 %	2,3 %	0,0 %	-9,9 %	-1,9 %	-11,6 %	-5,2 %	2,4 %	5,2 %	-2,5 %	4,3 %	4,9 %	4,1 %
EBT growth-%	22,2 %	177,1 %	47,5 %	13,2 %	-13,2 %	32,6 %	-28,6 %	-2,0 %	45,3 %	44,5 %	12,9 %	10,9 %	10,1 %	6,6 %
Cost-to-income-%	45,3 %	45,4 %	48,5 %	50,1 %	46,6 %	47,6 %	49,5 %	49,6 %	46,9 %	46,6 %	48,1 %	48,1 %	47,4 %	46,7 %
RoTE-% (from net profit)	12,7 %	14,7 %	14,0 %	12,3 %	12,5 %	19,1 %	12,3 %	14,9 %	20,2 %	20,6 %	17,7 %	17,6 %	17,8 %	17,2 %
ROE-% (from profit after perpetual interest)	10,0 %	15,9 %	15,7 %	14,1 %	14,7 %	15,0 %	9,7 %	11,8 %	16,1 %	16,6 %	14,0 %	14,0 %	14,2 %	14,6 %
Total capital ratio**	17,8 %		23,0 %			22,0 %								

Source: Inderes

Estimate revisions	2026e	2026e	Change	2027e	2027e	Change	2028e	2028e	Change
MEUR / EUR	Old	New	%	Old	New	%	Old	New	%
Net operating income	214	209	-2 %	227	218	-4 %	238	229	-4 %
Operating expenses	-101	-101	0 %	-107	-105	-2 %	-111	-108	-3 %
EBT	34,8	34,7	0 %	38,0	38,5	1 %	41,3	42,4	3 %
EPS (excl. NRIs)	1,08	1,09	1 %	1,29	1,19	-8 %	1,39	1,31	-6 %
DPS	0,39	0,58	48 %	0,42	0,61	46 %	0,45	0,66	48 %

*Income from associates not included in total net operating income from 2026 onwards (will be reported lower in the P&L **Multitude Bank's solvency (not the Group)

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Cash and cash equivalents	249,5	304,2	402,2	415,9	430,7
Loans to customers	649,9	832,0	915,9	975,0	1038,2
Debt investments	112,6	107,1	150,1	165,1	181,6
Intangible assets	32,9	35,3	35,3	35,3	35,3
Other investments and assets	53,8	107,0	117,8	125,4	133,5
Total assets	1098,7	1385,6	1621,2	1716,6	1819,3

Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Share capital	40,2	40,2	40,2	40,2	40,2
Retained earnings	98,2	111,8	123,4	136,5	151,2
Unrestricted equity reserve	14,7	14,7	14,7	14,7	14,7
Perpetual bonds	45,0	45,0	70,0	70,0	70,0
Other equity	-4,4	-3,7	-3,7	-3,7	-3,7
Total equity	193,7	208,0	244,6	257,7	272,4
Deposits from customers	800,8	1034,5	1236,4	1316,2	1401,6
Debt securities	76,9	108,4	102,0	102,0	102,0
Lease liabilities	5,1	4,1	4,5	4,8	5,1
Other liabilities	22,2	30,6	33,7	35,9	38,2
Total liabilities	905,0	1177,6	1376,6	1458,9	1546,9
Total equity and liabilities	1099	1386	1621	1717	1819

Valuation (1/3)

The road was rocky after the IPO

Multitude's journey as a public company hasn't been easy for its owners, as the share price has been very volatile and is still significantly lower than when it went public in 2015. The stock peaked in late 2017, when the company was delivering very strong earnings growth. In our view, the market profiled the company at that time as a profitably growing technology company rather than a bank. At the time, the company was able to generate a high returns on equity (close to 20%) in line with its peers, which naturally led to a higher acceptable valuation level. Multitude's and the peer group's returns on equity declined from those levels, but in recent years the trend has been positive as the businesses have somewhat matured.

In terms of the stock performance, the high valuation of the stock in the past has been one of the main reasons for the poor performance to date. At the same time, the fundamentals of the company took a significant hit during the COVID-19 pandemic as earnings plummeted. The company has recovered and is currently generating record high profits with a lower risk loan portfolio. The stock has also recovered, but not in the same magnitude as the fundamentals.

Valuation methods

Although Multitude is a digital bank, its business model is similar to that of a traditional bank and therefore needs to be considered as such when valuing the company. The growth in fee income has become meaningful for the company, which could support the acceptable valuation in the future, as these income streams are more asset-light. This is also reflected in the company's RoTE-% (Return on Tangible Equity) target of 20%.

Banks are typically highly leveraged, and the debt on a bank's balance sheet can be viewed as the "raw material" of the business. As such, the business model is very balance sheet driven and the amount of return the bank can generate on its equity is a key driver of an acceptable valuation. In addition, the way a bank can manage its balance sheet is highly regulated and capital ratio requirements impose constraints on, for example, distributable capital. In addition, a bank's appetite for growth has a direct impact on the distribution of earnings, as growth ties up a significant amount of capital. For these reasons, enterprise value (EV) multiples are not useful because the nature of the debt is different from that of a normal company and the additional cash reserves are not fully distributable due to capital requirements. Therefore, the valuation of a bank must be examined in terms of cash flows to owners (net profit is the best proxy for a bank), capital requirements and cost of capital.

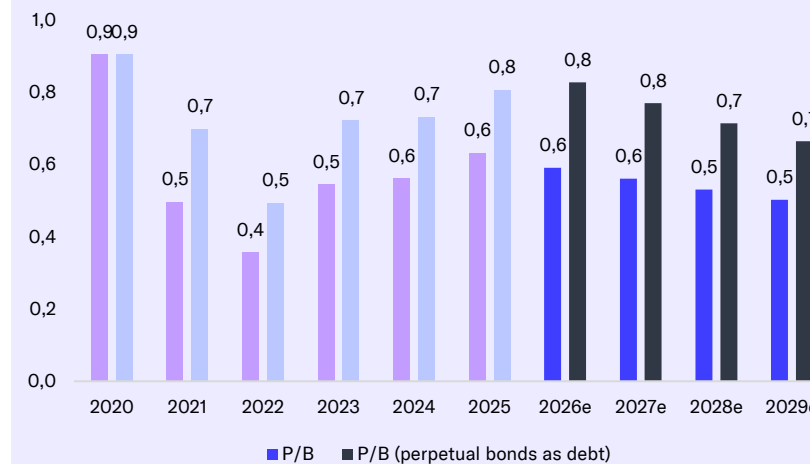
Due to the balance sheet intensity of the business, we particularly look at the P/B multiple, which we reflect in our view of the company's sustainable return on equity. As the company is profitable, we also look at the P/E multiple. In addition, we look at the valuation using a dividend discount model (DDM) and compare the valuation to the company's peer group.

Balance sheet valuation

The acceptable P/B ratio is dependent on 1) normalized return on equity, 2) growth rate of earnings, and 3) cost of equity. With the P/B ratio it's good to note that the ratio is different depending on whether the perpetual bonds are treated as debt (as we do), since perpetual bonds are not equity attributable to the shareholders.

CoE	Sustainable return on equity (ROE-%)					
	10 %	11 %	12 %	13 %	14 %	15 %
11,0 %	0,89x	1,00x	1,11x	1,22x	1,33x	1,44x
11,5 %	0,84x	0,95x	1,05x	1,16x	1,26x	1,37x
12,0 %	0,80x	0,90x	1,00x	1,10x	1,20x	1,30x
12,5 %	0,76x	0,86x	0,95x	1,05x	1,14x	1,24x
13,0 %	0,73x	0,82x	0,91x	1,00x	1,09x	1,18x
13,5 %	0,70x	0,78x	0,87x	0,96x	1,04x	1,13x
14,0 %	0,67x	0,75x	0,83x	0,92x	1,00x	1,08x

Multitude's P/B ratio with and without perpetual bonds



Valuation (2/3)

There is considerable uncertainty in assessing the normalized return on equity in particular. We estimate the ROE to be around 15% (RoTE around 18%) at the end of our forecast period, but we believe a more modest estimate (ROE-%: 11-13%) is warranted over the long term. Our cost of equity is set at 11.5-12.5%, which we believe is justified given the riskiness of Multitude's business model (mostly high-risk unsecured loans).

Higher growth has a negative impact on the acceptable P/B ratio if the return on equity is lower than the cost of equity. With Multitude's current ROE-%, growth creates value. We have set our growth expectation at 2%.

With a sustainable ROE-% of 11-13% and 11.5-12.5% cost of equity, we find that the acceptable fundamental P/B ratio is 0.85x-1.15x, which we believe is a justified valuation range for Multitude. Multitude's current P/B is at 0.83x when treating the perpetual bonds as debt, which means that Multitude is valued at the lower end of the range.

Earnings-based multiples

Multitude's P/E multiple is 6x for 2026 with an estimate in line with the guidance. In our view, the earnings-based valuation is very low. In our estimates, we expect a flat EPS this year due to increased interest on perpetual bonds. From 2027 onwards, we estimate the EPS to return to growth, and the P/E-ratio falls to around 5.4x. Even considering Multitude's risk profile, we see these as very low multiples.

Long-term historical multiples are not realistic in our view

One way to look at valuation is to compare current multiples to historical multiples. This needs to include changes in fundamentals, such as interest rate levels (which affect the cost of capital). The P/B ratio is a good multiple for looking

at historical valuation, as the P/E multiple is very volatile due to fluctuations in earnings levels.

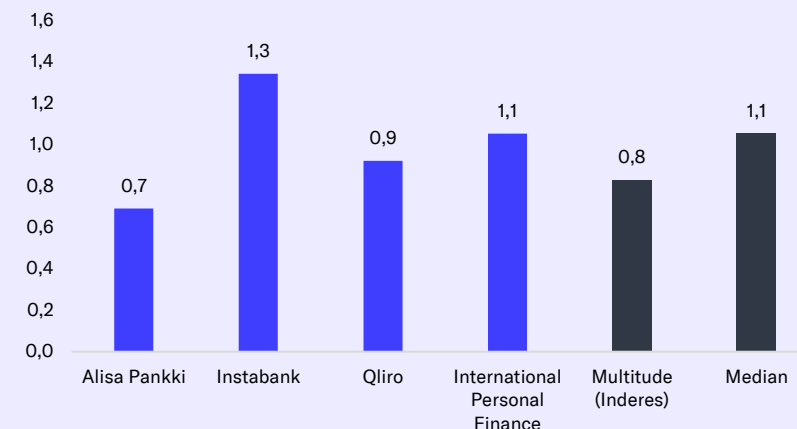
The median P/B ratio for Multitude over the 2015-2026 period according to Bloomberg data is 0.8x (treating the perpetual bonds as equity). The peak P/B was around 6.6x. Compared to this, the stock is trading at a significant discount. However, we do not think the historical multiples are realistic for Multitude. Earnings growth was very strong at the time and return on equity was also consistently on a high level (making growth more profitable). We also believe the narrative for investors was that Multitude was purely a technology company, which boosted the acceptable valuation. Nevertheless, we believe the stock was overvalued at its peak.

Peer valuation

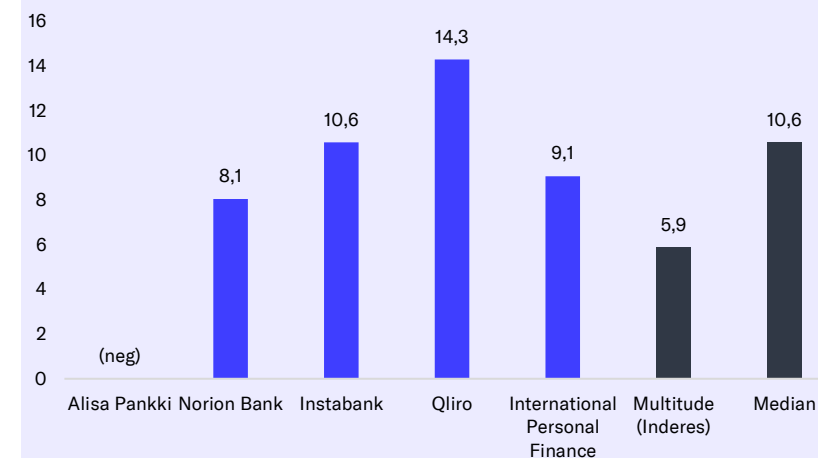
We also compare Multitude's valuation to its peer group. We believe that listed consumer and SME lenders operating in the Nordics/Europe are the best peer group for Multitude. Neobanks are somewhat different from Multitude in terms of their stage of development and business model. They are also mostly private and therefore cannot be compared to Multitude. The peer group is not perfect as data availability is sometimes an issue for smaller companies and due to data availability, we have made some changes to our peer group.

The peer group of Multitude is currently priced at 1.05x P/B ratio for the year 2026. Thus, Multitude is priced at a clear discount to its peers when looking at the perpetual bond adjusted P/B ratio. In history, Multitude has typically been valued at a discount, but we view the current discount as quite high. It's also good to note that the valuation of the peer group has somewhat risen in the last years.

Peer groups 2026e P/B ratio



Peer groups 2026e P/E ratio



Valuation (3/3)

In terms of P/E multiples, Multitude is priced at a very high discount to its peer group both with 2026 and 2027 multiples (around 20-40 %).

Generally, it's also noteworthy that the median company in the peer group is valued at rather low multiples (2026e P/E 10x). In our view, this reflects the high risk profile of the peer group (high cost of equity) and the capital intensity of growth for the banks. Also, the P/E ratio of the peer group has risen clearly during the last year, which is also justified as the ROE-% has also improved.

Dividend discount model and dividend yield

One way to look at a bank's valuation is through the dividend discount model (DDM). Multitude's payout ratio is highly dependent on how fast the company plans to grow. In the last two years, Multitude has increased its dividend a lot, but the payout ratio has stayed below 50% of net profit. We believe that Multitude will aim to grow its dividend going forward as well but keep the payout ratio below 50%.

In our DDM model, we estimate EBT to grow more than 10% annually until 2028. We expect the growth rate to slow down (6.6% -> 2.0%) towards the end of our estimate period (2034) and our terminal growth rate is at 1.5%. We estimate that the payout ratio (of net profit, not EPS) will be around ~42% until 2029 and increase from thereon to 60%. We note that this would imply a ~72% payout ratio from profit after the perpetual interest (i.e. EPS). With these assumptions and a cost of equity of 12.5%, we arrive at a value of equity per share of 8.2.

Multitude's dividend yield is 8.5% for the 2025 dividend, which has not yet been paid. For the coming years, the

dividend yield is approximately 9-10.5%. Thus, the dividend makes up a large portion of the expected return of the stock. Thus, with the major dividend increases in the last years, the investment profile has also shifted somewhat.

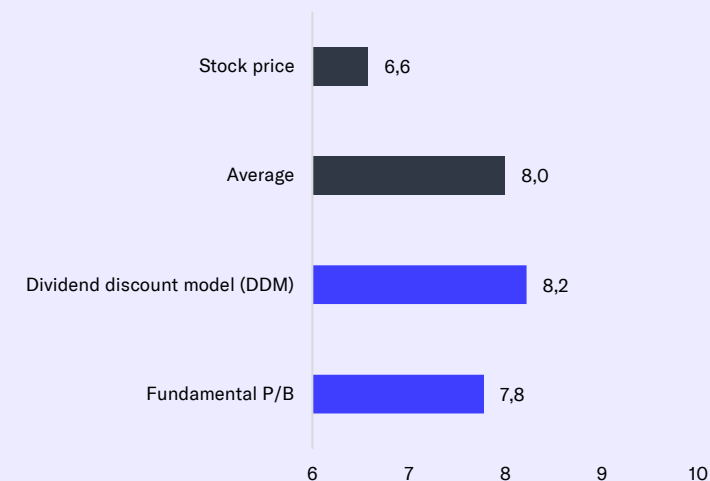
Hidden value in the Lea Bank stake

We note that the Lea Bank ownership makes up around 27% of Multitude's market cap. At the end of 2025, Lea Bank was valued on Multitude's balance sheet (carrying amount) at 28.1 MEUR. With the current Lea Bank share price, the market value is approximately 38 MEUR, and thus there is approximately 10 MEUR of "hidden value" in the balance sheet (approximately 8% of Multitude's market cap). Anyway, it's good to note that Multitude's share of Lea Bank's profit is seen in the "Income from associates" item in the Income Statement.

Summary of valuation

We expect Multitude's earnings growth to continue in the coming years. Key drivers will be continued income growth where fee income plays a larger role, improved cost/income ratio and gradual improvement in the impairment loss ratio. Our current estimates do not expect the company to reach its guidance in 2027-2028 and if the company were to reach it, we believe there would be significant upside in the stock. The good news for the investor is that the valuation is very modest even if the company would slightly miss the upcoming guidance. This year's guidance is not a walk in the park either and the profit estimates are very much tilted to H2. Nevertheless, with current valuation we see the risk/reward ratio as very attractive.

Summary of valuation methods (EUR per share)



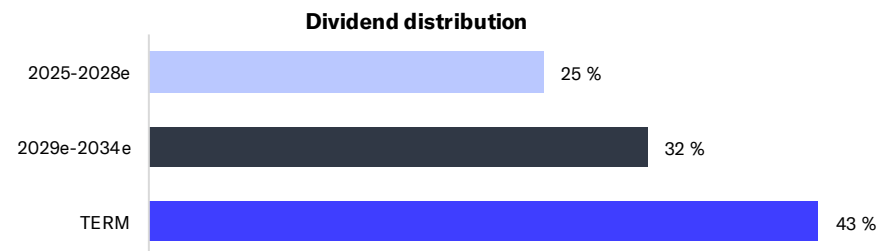
Valuation table & Dividend discount model (DDM)

Valuation	2021	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price	3,83	2,86	4,46	4,85	5,86	6,44	6,44	6,44	6,44
Number of shares, millions	21,6	21,6	21,6	21,6	21,6	21,6	21,6	21,6	21,6
Market cap	83	62	96	105	127	139	139	139	139
P/E (adj.)	neg.	7,6	8,7	7,3	5,4	5,9	5,4	4,9	4,6
P/E	neg.	7,6	8,7	7,3	5,4	5,9	5,4	4,9	4,6
P/B	0,7	0,5	0,7	0,7	0,8	0,8	0,7	0,7	0,7
ROE-%	0,4 %	1,5 %	6,7 %	9,0 %	10,7 %	13,3 %	13,3 %	13,1 %	13,6 %
Payout ratio (%)	0,0 %	0,0 %	25,0 %	47,1 %	44,7 %	41,5 %	40,5 %	40,5 %	40,5 %
Dividend yield-%	0,0 %	0,0 %	4,3 %	9,1 %	9,4 %	8,9 %	9,5 %	10,3 %	10,8 %

Source: Inderes

	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	TERM
Net profit (MEUR)	26,8	30,0	32,7	35,4	37,1	37,1	38,0	38,8	39,5	40,3	
Perpetual interest	-3,3	-6,4	-7,0	-7,0	-7,0	-7,0	-7,0	-7,0	-7,0	-7,0	
Profit after perpetual interest (MEUR)	23,5	23,7	25,7	28,4	30,1	30,1	31,0	31,8	32,5	33,3	
Dividend (per share)	0,55	0,58	0,61	0,66	0,69	0,74	0,93	1,04	1,06	1,08	9,9
Payout ratio (% of net profit)	46 %	43 %	42 %	42 %	42 %	45 %	55 %	60 %	60 %	60 %	
Discounted dividends	0,55	0,53	0,50	0,48	0,45	0,43	0,47	0,47	0,42	0,38	3,51
Discounted cumulative dividends	8,19	7,64	7,11	6,60	6,12	5,67	5,25	4,78	4,31	3,89	3,51
Equity value per share	8,2										

Riskfree rate	2,50 %
Market risk premium	4,75 %
Equity beta	1,68
Liquidity premium	2,0 %
Cost of equity	12,5 %



Peer group valuation

Peer group valuation Company	Market cap MEUR	P/E		Dividend yield-%		P/B 2026e
		2026e	2027e	2026e	2027e	
Alisa Pankki						0,7
Norion Bank	8	8,1	6,4		6,3	1,5
Instabank	11	10,6	8,2	2,7	6,2	1,3
Qliro	14	14,3	5,8			0,9
International Personal Finance	9	9,1	7,5	5,3	5,7	
Multitude (Inderes)	139	5,9	5,4	8,9	9,5	0,8
Average		10,5	7,0	4,0	6,1	1,1
Median		9,8	7,0	4,0	6,2	1,1
Diff-% to median		-40 %	-22 %	122 %	53 %	-29 %

Source: Refinitiv / Inderes

Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oyj can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oyj's shareholdings are presented in itemised form in the model portfolio. Inderes Oyj does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oyj does not have investment bank operations.

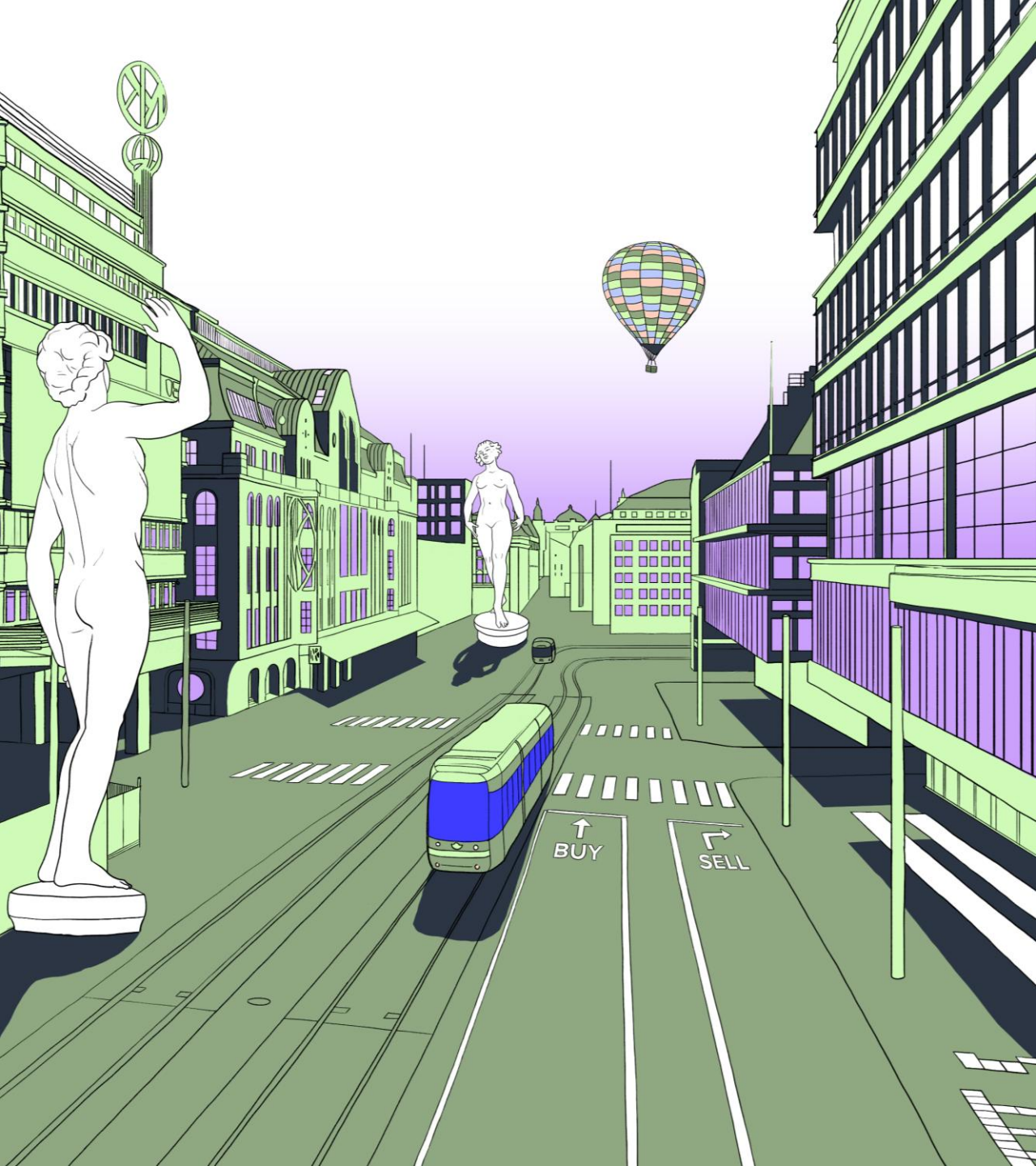
Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at www.inderes.fi/research-disclaimer.

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
20/12/2024	Accumulate	5,70 €	4,81 €
27/03/2025	Accumulate	5,70 €	4,76 €
04/04/2025	Accumulate	6,20 €	5,18 €
23/05/2025	Accumulate	7,00 €	6,55 €
19/06/2025	Reduce	7,00 €	7,26 €
22/08/2025	Accumulate	8,00 €	7,29 €
14/11/2025	Accumulate	7,80 €	6,94 €
13/03/2026	Buy	7,80 €	6,11 €
22/04/2026	Buy	7,80 €	6,50 €



CONNECTING INVESTORS AND COMPANIES.

Inderes democratizes financial information by connecting investors and listed companies. For investors, we are an investing community and a trusted source of financial information and equity research. For listed companies, we are a partner in delivering high-quality investor relations. Over 500 listed companies in Europe use our investor relations products and equity research services to provide better investor communications to their shareholders.

Our goal is to be the most investor-minded company in finance. Inderes was founded in 2009 by investors, for investors. As a Nasdaq First North-listed company, we understand the day-to-day reality of our customers.

Inderes Ab

Vattugatan 17, 5tr
Stockholm
+46 8 411 43 80

inderes.se

Inderes Oyj

Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi

**inde
res.**