



Corporate Governance

Dated 3 March 2022

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Information about the issuer

1.1 GENERAL INFORMATION

Legal and commercial name:	Ferratum Bank p.l.c.
Registered address:	ST Business Centre, 120, the Strand, Gzira GZR 1027
Place of registration and domicile:	Malta
Company registration number:	C 56251
Legal Entity Identifier:	213800SGT5S6EKUW2987
Date of registration:	9 May 2012
Legal form and duration:	The Issuer is lawfully existing and registered as a public limited liability company in terms of the Act. The Issuer has been established for an indefinite duration.
Telephone number:	+356 2034 1533
Email	info@ferratumbank.com
Website	https://www.ferratumbank.com/

The contents of the Bank's website or any other website directly or indirectly linked to the Bank's website, or any other website referred to herein, do not form part of the Base Prospectus. Accordingly, no reliance ought to be made by any investor on any information or other data contained in such website as a basis for a decision to invest in the Bonds.

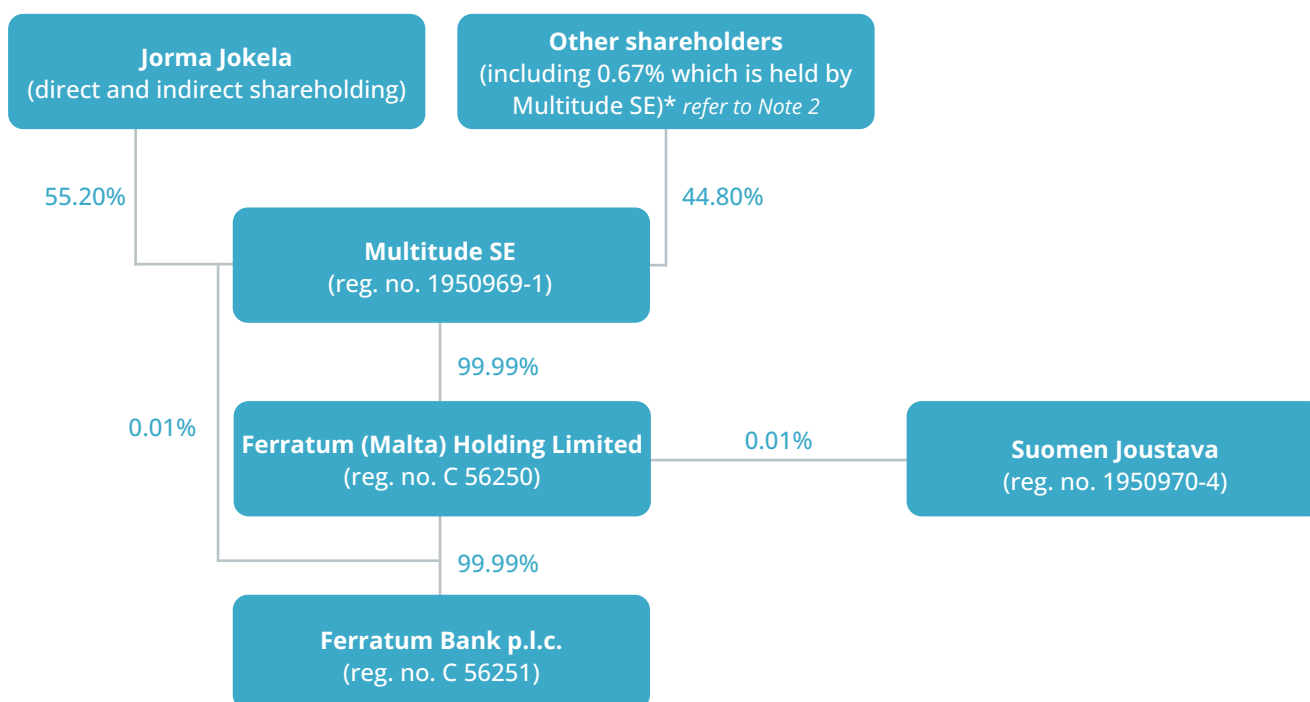
1.2 HISTORY AND DEVELOPMENT OF THE ISSUER

The Issuer was registered under the laws of Malta on 9 May 2012 and was granted a credit institution licence in terms of the Banking Act from the MFSA on 12 August 2012. In January 2014, the Issuer obtained an extension to its banking licence allowing it to provide services relating to guarantees and commitments. On 23 July 2015, the status of the Issuer changed from that of a private limited liability company to a public limited liability company. As from the fourth quarter of 2015, the Issuer also commenced offering deposit products. The operations of the Issuer have since evolved to comprise the principal activities further described in section 5.5 below.

On 14 December 2016, the Issuer published a base prospectus for a €60,000,000 bond issuance programme of a nominal value of €100,000 per bond. A total of €40,000,000 worth of bonds were issued in terms of this base prospectus, in two tranches (the "Notes"). The Notes were guaranteed by Multitude SE and were admitted to trading on the European Wholesale Securities Market (which trading ceased with effect from 13 July 2018 as a result of the closure of this market), Nasdaq Stockholm and the Frankfurt Stock Exchange. On 16 March 2020, the Issuer announced that it had repaid the Notes.

1.3 ORGANISATIONAL STRUCTURE OF THE GROUP

The following diagram illustrates the corporate structure of the Group as at the date of this Base Prospectus:



Note 1: The shares of Multitude SE are listed on the Frankfurt Stock Exchange.

Note 2: Multitude SE's largest shareholder, Jorma Jokela, beneficially owns 55.20% of the shares in the company through his holdings in Jokela Capital OÜ, JT Capital Limited and other direct and indirect shareholdings in the company. Multitude SE owns 0.67% of its own shares. The remaining 44.13% shareholding in Multitude SE is in public float.

Note 3(a): Aside from the Issuer, Multitude SE holds shares in the below mentioned companies in the following percentages:

Name of company and registration number	Country of incorporation	Percentage of shareholding held by Multitude SE
Suomen Joustava Oy (1950970-4)	Finland	100%
Ferratum Latvia SIA (40003893531)	Latvia	100%
Ferratum Czech s.r.o (27894690)	Czech Republic	100%
Global IT Services s.r.o (43770207)	Slovakia	100%
Pactum Poland Sp. z o o (296808)	Poland	100%
Saldodipje S.L. (B92941558)	Spain	100%
Ferratum Bulgaria EOOD (200599406)	Bulgaria	100%
Ferratum Capital Oy (2294035-1)	Finland	100%
Ferratum Australia Pty Ltd (151137049)	Australia	100%
Numeratum d.o.o. (80783386)	Croatia	100%
Ferratum (Malta) Holding Limited (C 56250)	Malta	99.99%

Swespar AB (556901-7899)	Sweden	100%
Ferratum Romania I.F.N.S.A. (32208795)	Romania	99.94%
Ferratum Capital Germany GmbH (HR B 152968 B)	Germany	100%
Ferratum International Services Oy (2583264-7)	Finland	100%
CapitalBox GmbH (HRB 156156)	Germany	100%
Vector Procurement Solutions Inc. (BC1001525)	Canada	100%
Ferratum Mexico S. de R.L. de C.V. (539840 -1)	Mexico	99.99%
UAB Ferratum Finance (304094427)	Lithuania	100%
Pactum Collections GmbH (HRB 177884 B)	Germany	100%
Ferratum Brasil Servicos de Correspondente Bancario Ltda (26.214.991/0001-07)	Brazil	99%
Inari Serviços Financeiros Ltda (24.065.319/0001-63)	Brazil	99%
Ferratum Portfolio S.à.r.l. (B243364)	Luxembourg	100%
Guarantee Services OÜ (16051301)	Estonia	100%
fe Business Services OÜ (16051287)	Estonia	100%
Mr Credit Pty Ltd (647 169 444)	Australia	100%

Note 3(b): In addition, Multitude SE has:

- i. a 100% indirect shareholding in Bidellus Bangladesh Ltd (C-141644/2017) through a shareholding in: (a) Suomen Joustava Oy (1950970-4) (which owns 1% of the shares in Bidellus Bangladesh Ltd); and (b) Ferratum International Services Oy (2583264-7) (which owns 99% of the shares in Bidellus Bangladesh Ltd);
- ii. a 99.27% indirect shareholding in Bhawana Securities and Financial Services Limited (U65100DL1995PLC071089) through a shareholding in: (a) Ferratum International Services Oy (2583264-7) (which owns 98.54% of the shares in Bhawana Securities and Financial Services Limited); and (b) Pactum Collections GmbH (HRB 177884 B) (which owns 0.73% of the shares in Bhawana Securities and Financial Services Limited);
- iii. a 100% indirect shareholding in Saldo Gestion S.L. (B42842005) through a shareholding in Ferratum International Services Oy (2583264-7) which owns 100% of the shares; and
- iv. a 100% indirect shareholding in CapitalBox AB (556695-9655) through a shareholding in CapitalBox GmbH (HRB 156156) which owns 100% of the shares.

Note 4: Multitude SE has also set up the following branches:

- i. Vector Procurement Solutions Inc. (Malta Branch) (OC 1411);
- ii. Ferratum International Services Oy, Helsinki, Zug branch (CHE-299.918.988);
- iii. CapitalBox AB, Lietuvos filialas (305562697);
- iv. CapitalBox AB, Dutch branch (861865959); and
- v. CapitalBox AB, Finnish branch (3177095-6).

Note 5: Ferratum (Malta) Holding Limited (C 56250) was also the sole shareholder of Ferratum Services Limited (C 81663), which was struck off on 27 December 2021.

1.4 OBJECTS AND PURPOSES OF THE ISSUER

The Memorandum and Articles of Association of the Issuer are registered with the Registrar of Companies at the Malta Business Registry.

The objects of the Issuer are set out in clause 3 of its Memorandum. The objects set out in the Memorandum include the following:

- i. the undertaking of the business of banking, as defined in, and in accordance with, the provisions of the Banking Act and to execute all kinds of banking and financial operations in all currencies with any person, company, firm, partnership or other entity, whether in Malta or elsewhere, as may be allowed in terms of the licence issued to the Issuer by the competent authority;
- ii. the engagement in the business of accepting deposits of money from the public withdrawable or repayable on demand or after a fixed period or after notice and borrowing or raising money from the public (including the borrowing or raising of money by the issue of debentures or debenture stock or other instruments creating or acknowledging indebtedness), in either case for the purpose of employing such money in whole or in part by lending (including personal credits, mortgage credits, factoring with or without recourse, financing of commercial transactions including forfeiting and acquisitions of receivables) to others or otherwise investing for the account and at the risk of the Issuer; and
- iii. to engage in the business of financial leasing, issuing of guarantees and other commitments.

A copy of the Memorandum is available for inspection as set out in section 13 of this Base Prospectus.

1.5 PRINCIPAL ACTIVITIES OF THE ISSUER

The Issuer is licensed by the MFSA to carry on the activities of a credit institution in terms of the Banking Act and is also licensed to provide certain payment and other services as defined in the Financial Institutions Act (Cap. 376 of the laws of Malta), as well as being authorised to deal on own account. The Issuer is lawfully authorised to passport its services in a number of European jurisdictions.

The principal activities of the Issuer primarily consist of:

- A. the provision of consumer loans; and
- B. deposit-taking services.

The aforementioned services are offered and distributed through online digital and mobile financial services technology. The products mentioned in (A) above are primarily offered in Finland, Denmark, Croatia, Norway, Romania, Spain, Poland, Sweden, Germany, Czech Republic, Latvia and Estonia, with the intention to extend the provision of consumer loans to Slovenia. Deposit taking activities mentioned in (B) above are provided in Germany, Finland and Latvia.

A. CONSUMER LENDING ACTIVITIES

At present, the Issuer offers four main consumer lending products:

- credit line product;
- prime loans;
- plus loans; and
- micro loans.

1. Credit line product

The Issuer's credit line product is a revolving loan facility offered by the Issuer (similar to a typical overdraft facility but does not require clients to maintain a current account with the Issuer), under which borrowers are required to effect a minimum repayment per month. The credit limit for this type of lending product typically varies between €500 to €4,000, depending on the customer's creditworthiness and his/her jurisdiction of domicile.

2. Prime loans

The Issuer's prime loan product is intended for customers in need of amounts ranging from €2,000 to a maximum of €30,000 and longer-term unsecured financing arrangements, ranging from 12 months to a maximum of 144 months, mainly intended to fund personal expenditure. The Issuer currently offers prime loans in Germany, Latvia, Finland, Denmark and Sweden.

3. Plus loans

Plus loans offered by the Issuer provide medium to long term financing arrangements, ranging from two to 36 months. This product complements the Issuer's portfolio of lending products by allowing flexibility in respect of the amount, duration and number of instalments of the loan. The principal granted under plus loans generally varies between €500 to €3,000 and is repayable in multiple instalments on a monthly basis.

4. Micro loans

The micro loans offered by the Issuer are short-term loans granted in low amounts to private individuals, to meet their short-term liquidity needs. The amounts of micro loans granted typically range between €50 to €1,000, with maturity typically being 15 or 30 days. The amount of the principal granted would itself depend on the creditworthiness of the underlying customer.

In addition to the above consumer lending product, the Issuer also offers a guarantee product in Bulgaria, whereby it acts as guarantor for consumer loans.

B. DEPOSIT-TAKING SERVICES

The Issuer funds its activities primarily through deposits in Euro denominated savings and current accounts, through which customers are able to, amongst others, perform outgoing money transfers and receive deposits. Deposits are raised mainly through two platforms. As at 31 December 2021:

- i. 98% of the Issuer's retail deposit base was derived from its partnership with a new deposit servicing platform launched in Germany by CHECK24 Finanzservice GmbH, a German domiciled company forming part of the CHECK24 Vergleichsportal GmbH group, Germany's leading comparison portal; and
- ii. 2% of deposits were sourced from the Issuer's mobile wallet, which was launched in Latvia and Finland during 2021.

C. SIGNIFICANT NEW PRODUCTS OR ACTIVITIES

Through the expansion of the Bank's 'Mobile Wallet' solution, initially launched in 2020, the Issuer will seek to connect customers, partners (both in the financial industry as well as technology companies) and the Issuer's own services, through a mobile application. This will enable customers to gain access to a larger service base, whilst, in turn, allowing the Issuer to enhance its own customer base. The 'Mobile Wallet' solution is currently available in Latvia, Finland and Germany. However, the intention is to expand to further jurisdictions in the future.

The Issuer has recently expanded its Mobile Wallet product offering by offering a virtual credit card service in Finland and will also, in future, be offering the 'Prime Loan Product' (described above) through the 'Mobile Wallet'.

1. Virtual credit card

The Issuer has complemented its mobile banking platform with a virtual credit card which is available through the 'Mobile Wallet' allowing customers to shop online with flexible payment options. This product has already been launched in Finland and the Issuer intends to expand this product offering to other markets.

2. Prime loans

The Issuer intends to integrate its prime loan services offering (a description of which is set out above) in the 'Mobile Wallet', with the aim of simplifying the financing of high value services and products, enabling clients to access credit in an easy digital manner, at a decreased cost.

1.6 FUNDING STRUCTURE AND EXPECTED FINANCING

The Issuer funds its activities primarily through customer deposits. There have been no material changes in the borrowing and funding structure of the Issuer since the financial year ending 31 December 2020. The Issuer expects that it will continue to fund its activities through customer deposits.

1.7 CREDIT RATING

The Issuer has not sought, nor does it intend to seek, the credit rating of an independent rating agency and there has been no assessment by any independent rating agency of the Bonds.

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Trend Information

The Bank's vision is to continue to innovate and to operate a proprietary global digital financial platform, enabling it not only to distribute financial services directly to consumers, but to leverage the technology to partners with "plug-and-play" and "Banking-as-a-Service" concepts. The Bank continues to grow in the current customer segment alongside the further development of, amongst others, its 'Mobile Wallet' offering.

The banking industry is facing tightening regulations across the jurisdictions the Bank operates in. During the COVID-19 pandemic interest caps, tightening of marketing and introduction of moratoriums were put in place. Many of these measures have been temporary and have already been lifted or are expected to be lifted during the coming year. There are however measures which will remain in place, and it can be expected that new measures will be introduced, in particular insofar as interest caps and tightening of marketing is concerned.

Save for the effects of the COVID-19 pandemic (as described above), the Bank is not aware of any other factors or events that are likely to have a material effect on the Bank's prospects in the current financial year.

03

Administrative, Management & Supervisory Bodies

3.1 THE BOARD OF DIRECTORS OF THE ISSUER

In terms of the Memorandum of the Issuer, the affairs of the Issuer are to be managed and administered by a board of directors consisting of not less than three and not more than 10 in number. The Board of Directors is currently composed of nine Directors who are entrusted with the overall direction, administration and management of the Issuer. As at the date of publication of the Base Prospectus, the Board is composed of the following persons:

Carmel Borg holder of Maltese identity card bearing number 140461M	Independent, non-executive Director and Chairman
Jorma Olavi Jokela holder of Finnish passport bearing number PP7143038	Non-executive Director
Lea Liigus holder of Estonian passport bearing number KE0218748	Non-executive Director

Clemens-Matthias Fritz Krause holder of German passport bearing number C3HZRZTFL	Non-executive Director
Esa Tapani Teravainen holder of Finnish passport bearing number FP1154655	Non-executive and independent Director
Erik Mikael Ferm holder of British passport bearing number 532411156	Non-executive and independent Director
Victor Alexander Denaro holder of Maltese identity card bearing number 411256M	Non-executive and independent Director
Jussi Matti Eevertti Mekkonen holder of Finnish passport bearing number PR0865144	Non-executive Director
Klaus Oscar Schmidt holder of German passport bearing number C5PNXW8HM	Non-executive and independent Director

A brief *curriculum vitae* of each of the Directors is set out below.

CARMEL BORG

Mr Carmel (k/a Charles) Borg was appointed as the Chairman of the Issuer in April 2017. He spent his professional career of 34 years at Bank of Valletta plc during which he occupied various senior management positions, including that of chief executive officer between 2011 and 2015. He has occupied directorship positions of listed companies in Malta and was appointed chairman of the Housing Authority during the period 2008 to 2011. He also chaired the audit board of the European Investment Fund, which is a subsidiary of the European Investment Bank, and of MAPFRE Middlesea p.l.c.. Mr Borg also served as a director on the World's Savings Bank in Brussels and was also the president of the Institute of Financial Services and the president of the Malta Bankers Association.

Mr Borg is a fellow of the Chartered Institute of Bankers (UK) and holds a banking degree and a Masters degree in financial legislation from the University of Malta.

JORMA OLAVI JOKELA

Mr Jorma Jokela is the Chief Executive Officer and the founder of Multitude SE. He studied accounting at the Commercial College of Kuopio and the Helsinki Business College and has an eMBA from IMD Business School in Lausanne, Switzerland. He is the founder of Jokela Capital Oy in Helsinki where he headed the company as chief executive officer from 1998 to 2000. He subsequently sold the Jokela Capital business in 2004. In 2005, he founded Ferratum Group, which was subsequently renamed Multitude and has been its chief executive officer and member of the board of directors since then. Mr Jokela is currently a member of the board of JT Capital Limited, Jokela Capital OÜ and Jokela Capital Oy. In addition, he acts as chairman of the board of Tinozza Oy.

LEA LIIGUS

Ms Lea Liigus, is the head of legal and compliance of Multitude SE. She has been a member of the board of directors since 2006. She studied law at the University of Tartu in Estonia and completed a Master of Laws (LL.M) programme in contract and commercial law at the University of Helsinki in Finland. Before she joined Multitude SE in 2006, she worked as a lecturer for commercial law and EU law at the Estonian business school in Tallinn and as an attorney-at-law specialised in commercial, financial and EU law at Sorainen Law Offices in Estonia. Ms Liigus is currently a member of the board of LL Capital Investments OÜ and LL Rent OÜ.

CLEMENS-MATTHIAS FRITZ KRAUSE

Dr Clemens-Matthias Fritz Krause was appointed as a member of the Board of the Issuer in May 2018. Dr Krause is a member of the Audit Committee, chairman of the ALCO and Chairman of the reserving committee. He originally joined Multitude SE in 2012 as the company's chief financial officer and the managing director of Ferratum Germany GmbH. Between 2018 to 2020, he acted as the chief risk officer of the Group. He was re-appointed to the position of chief risk officer of the Group in 2021. During his professional career he has held various management positions at companies including Bankgesellschaft Berlin AG, Deutsche Bahn, E-Loan Europe, E*Trade Germany, GE Money Bank (General Electric) and Commerzbank. He studied business administration at the Westfälische Wilhelms-Universität in Münster and in 1992, completed his PhD thesis about credit rating with artificial intelligence at the Institut für Rechnungswesen in Münster.

ESA TAPANI TERÄVÄINEN

Mr Esa Tapani Teräväinen has served as a member of the Board of the Issuer since its incorporation in late 2012. He is the chairman of the Audit Committee. Mr Teräväinen has 25 years of international banking experience in Finland and in Russia. In Finland, he has worked for several Finnish and Scandinavian banking groups and has been responsible for their Eastern European correspondent banking and businesses development in the Eastern European countries. He has also worked for 12 years in different banks in Moscow, including at the Moscow representative office of Postipankki Ltd, International Moscow Bank, Orgresbank, and as a managing director of a subsidiary bank of Svenska Handelsbanken. Following his banking career, during his consulting career, he remains involved with several Russian projects. He has also served as board member of companies with business interests in Russia.

Mr Teräväinen has a Masters of Science (International Economics) from the Helsinki School of Economics and Business Administration, and he has further banking education at INSEAD, Fontainebleau, France.

ERIK MIKAEL FERM

Mr Erik Mikael Ferm was elected to the Board of Directors of the Issuer in April 2017, and chairs the risk management committee. From 2012 to 2019, he acted as the chairman of the board and non-executive director at Multitude SE. Mr Ferm has had a long career in financial services and organisational development, spanning over 20 years across the UK and Europe. From 2002 to 2012, he worked as a partner at Palamon Capital Partners, a private equity firm investing in growth companies across the EU. Between 2000 and 2002 he acted as investment director at UBS Capital, focusing on private equity investments in Nordic region. He has also worked in advisory services on mergers and acquisitions, as well as management reporting and cash management. He holds a Masters degree of Science in business administration from the Stockholm School of Economics.

VICTOR ALEXANDER DENARO

Mr Victor Denaro was appointed as a non-executive Director of the Issuer in April 2018 and is a member of the risk management committee.

He served as an I.T. consultant in various local entities and boasts a career with significant national and international successes in major I.T. transformation projects.

He occupied various senior level roles within Bank of Valletta plc from 1993 to 2015 where he provided executive guidance on all aspects of I.T. as the Group Chief Information Officer. He successfully positioned the bank to attain national market leadership with the successful implementation of new technologies and systems, which include, but are not limited to, core retail banking (1999), treasury and wholesale (2001), internet banking (2002) and mobile banking (2009). Mr Denaro implemented a new I.T. division structure comprising of 120 professional staff and five technical and operational units. He successfully introduced industry-acknowledged methodologies, such as service structure management, roles, capacity management and risk assessment. He also managed international and national relationships with key vendors, consultants and licensees and was responsible for an annual budget of circa €10 million to €12 million.

He holds a Masters in Business Administration from Business School of Grenoble, specialization in Business Consultancy.

JUSSI MATTI EEVERTTI MEKKONEN

Mr Jussi Matti Eevertti Mekkonen was elected as a member of the Board of Directors of the Issuer in May 2018. Prior to this role, he acted as the Chief Executive Officer of Ferratum Bank between 2017 and 2019. Mr Mekkonen built most

of his professional career at Nordea, Finland, where he held multiple senior positions, including the deputy head of banking from 2013 to 2016 and then head of personal banking from 2016 to 2017. He has also been the chairman and member of various steering groups at Nordea, focusing, for example, on consumer credit product developments and business transformation using Agile method.

M. Mekkonen holds a Masters in Agricultural Sciences from University of Helsinki, and is a certified Key Account Manager (Merita Bank) and Profit Unit Leader (MeritaNordbanken).

KLAUS OSCAR SCHMIDT

Mr Klaus O. Schmidt was appointed as a non-executive Director of the Issuer in May 2019 and is a member of the Audit Committee.

His professional career began in June 1987 as a marketing adviser in the marketing department of GZS Gesellschaft für Zahlungssysteme mbH, Frankfurt/Main. In October 1989, he went to Ordina (Deutschland) GmbH, Frankfurt/Main, as a representative for card payment systems and then moved to American Express Bank GmbH, Frankfurt/Main, to become a marketing manager for banking and insurance products in September 1991. In October 1993, he joined ING-DiBa AG, Frankfurt/Main, as head of retail banking and then took over the responsibility as a director for the marketing and call centre department where his main tasks were the building of the ING-DiBa brand, the development of database marketing and customer relationship management. In January 1999 he was appointed as general manager for marketing and sales and with effect from March 2002 as a full member of the management board at ING-DiBa AG and was responsible for marketing, sales, private mortgage, product and target group management and customer dialogue/service.

Between January 2003 and June 2006, he was the project manager in charge of setting up ING-DiBa, Austria and from April 2007 until December 2010, he was a member of ING Management Council in Amsterdam. In January 2012, he became a full member of the management board in Bausparkasse Schwabisch Hall AG, Schwabisch Hall, responsible for marketing and international markets.

In January 2015, he founded his own management consultancy K.O.S.-Marketing with a focus on advising financial services companies and fintech companies.

Mr Schmidt studied Business Administration at Goethe University, Frankfurt/Main.

3.2 COMPANY SECRETARY OF THE ISSUER

The company secretary of the Issuer is Ms Lea Liigus.

The business address of the Directors and the company secretary is that of the Issuer.

3.3 SENIOR MANAGEMENT

The Issuer's senior management team is comprised primarily of the following persons:

CHIEF EXECUTIVE OFFICER - ANTTI KUMPULAINEN

Mr Antti Kumpulainen, joined Multitude SE in 2016 as country manager for Finland. He joined the Issuer in 2018 as chief commercial officer. Mr Kumpulainen has been the Chief Executive Officer of the Issuer since April 2021. He was deputy and acting chief executive officer from March 2019, before being appointed in his current role. Mr Kumpulainen started his career in banking at Sampo Bank PLC in 2003 as service manager for credit cards and consumer lending. In 2007, he moved to Ab Compass Card Oy Ltd where he worked as credit manager and department manager before becoming the chief risk officer of Elisa Finance in 2014. Mr Kumpulainen has a Bachelor of Agriculture and Forestry in Forest Economics at the University of Helsinki in Finland.

CHIEF COMMERCIAL OFFICER & DEPUTY CHIEF EXECUTIVE OFFICER - JULIE CHATTERJEE

Ms Julie Chatterjee is the Chief Commercial Officer and Deputy Chief Executive Officer of the Issuer and has held this position since 2020. She holds a Master of Engineering from Kungliga Tekniska Högskolan in Stockholm. Ms Chatterjee holds 16 years of experience within the retail and banking industry. She has experience in consumer lending, credit card and the insurance business with an exposure to e-banking and mobile banking, while holding numerous positions at OKQ8, including as a chief executive officer of OKQ8 Bank.

MLRO – NICOLETTE BARTOLO FARRUGIA

Ms Nicolette Bartolo Farrugia joined the Issuer as Money Laundering Reporting Officer (“**MLRO**”) in September 2020, and whilst having a direct reporting line to both the Board of Directors and the Audit Committee, she is responsible for leading the Issuer’s anti-money laundering team as a second line function, and being the main point of contact with the FIAU. Ms Bartolo Farrugia has been working in compliance, including as MLRO or alternate MLRO, since 2010 and her working experience has been obtained both within credit institutions as well as other licensed entities. Her experience covers the whole range of activities that an MLRO is required to carry out in terms of the applicable law and the FIAU’s Implementing Procedures.

Ms Bartolo Farrugia has a B.A. Honours Banking & Finance – Second Class (Upper Division) and a Bachelor of Commerce – Banking & Finance and Management. Over the years, Ms Bartolo Farrugia has also participated in various seminars and training events on anti-money laundering and countering of financing of terrorism and compliance in general and is currently reading for an international diploma in anti-money laundering with the International Compliance Association.

HEAD OF LEGAL & COMPLIANCE – PATRICK BUHAGIAR

Dr Patrick Buhagiar joined the Issuer in November 2012 as its Head of Legal and Compliance, a position that he has occupied since. He is a non-voting member of the Issuer’s executive committee and in carrying out his duties, he reports directly to the Issuer’s Board of Directors and its committees, especially the Audit Committee.

He was admitted to the Maltese bar in 2005, after graduating from the University of Malta with an LL.D. in 2004. He furthered his studies at the University of Malta and obtained a Magister Juris in E.U. and Comparative Law in 2006. Prior to joining the Issuer, he worked for almost three years as a legal and compliance manager with the Maltese subsidiary of an international banking group, which he joined after a four-year stint as one of the managers within the legal and international affairs unit of the MFSA. As a result of his previous positions with both the regulatory authority and the private sector, he has extensive experience in advising banks on the regulatory aspects of their business. He is periodically appointed as an external examiner within the Faculty of Laws of the University of Malta.

INTERNAL AUDITOR – IVETA STOYANOVA

Ms Iveta Stoyanova joined the Issuer as Head of Internal Audit in August 2018 and she is responsible for organising and managing the whole internal audit activity of the Issuer by reviewing the Issuer’s processes, systems, policies and procedures.

Ms Stoyanova has professional experience as head of internal audit for more than 14 years and more than 25 years professional experience in the banking and financial sectors. Her work experience covered the areas of accounting, tax, payments, finance, financial control and internal auditing. Prior to joining the Issuer, Ms Stoyanova held a number of senior management positions with international bank and financial institutions operating in Bulgaria, namely Piraeus Bank Bulgaria AD (Head of Internal Audit) and Transact Europe EAD (CFO) in which Ms Stoyanova also held a board member’s position.

Ms Stoyanova is a member of the institute of internal auditors. She graduated from the Executive Master of Business Administration program in Cotrugli Business School and has a Masters degree of Economics in the University of National and World Economy, Sofia, Bulgaria.

CHIEF RISK OFFICER – LOUIE SCICLUNA

Mr Louie Scicluna joined the Issuer as Chief Risk Officer in 2018.

Mr Scicluna brings banking experience of over a decade and a half to bear in overseeing the Issuer’s risk strategy and appetite, including the development and implementation of risk management protocols which are used across the Issuer. In this role he promotes the building and sustenance of a strong culture in which all employees understand the importance of managing risk to ensure responsible growth and the satisfaction of client requirements.

As the chief risk officer, Mr Scicluna reports both to the Issuer’s Board of Directors as well as to the board committees. He is a non-voting member of the Issuer’s executive committee and voting member in the credit committee, the reserving committee, ALCO as well as being a voting member of the Group’s credit forum and Group’s I.T. risk committee. His position also requires him to attend both the Issuer’s and Group’s risk committees.

Before joining the Issuer, Mr Scicluna worked for Bank of Valletta p.l.c. where he held a number of senior positions within the bank’s risk management department.

Mr Scicluna holds an Honours degree in banking and finance and a Masters in financial services from the University of Malta.

HEAD OF INFORMATION SECURITY – NATHAN GATT

Mr Nathan Gatt joined the Issuer in October 2014 and he is responsible for leading the information security function of the Issuer and the Group. Mr Gatt is an experienced information security professional with over 15 years' experience. His work experience covers information security consulting and assurance in various sectors including, but not limited to, financial services, pharmaceutical, telecommunications, government, remote gaming and manufacturing. Prior to joining the Issuer, Mr Gatt was a senior manager at PricewaterhouseCoopers in Malta specifically focused on information security consulting and assurance services.

Mr Gatt is a Certified Information Systems Security Professional (CISSP) and a Certified Information Systems Auditor (CISA). He holds a Master of Science degree in Information Security from Royal Holloway, University of London and a Bachelor of Science degree in Business & Computing from the University of Malta.

HEAD OF CUSTOMER SERVICE – DARKO POPOVIC

Mr Darko Popovic has been with the Issuer since March 2019 as a Head of Customer Service, responsible for customer support, on-boarding processes and direct sales operations. Mr Popovic is a member of the Issuer's executive committee and is also responsible for customer services for Multitude SE group. Before joining the Issuer, he was customer experience director at Melita plc, a leading telecommunication company in Malta.

Mr Popovic has more than 20 years' experience in leading customer service functions, customer experience management and has held a number of positions within the Deutsche Telekom group. He focuses on digitalisation, the impact of new technologies such as artificial intelligence on service models, technology and self-service innovations, as well as effortless customer experience.

Mr Popovic studied law at the Pan-European university in Slovakia and continued with LL.M studies at CEM University in Prague, Czech Republic with diploma work from law in a consumer protection area.

CHIEF OPERATING OFFICER – DARIO AZZOPARDI

Mr Dario Azzopardi joined the Issuer in February 2015 to set up the treasury function and works within the financial planning and analysis team. Mr Azzopardi was appointed as Chief Operations Officer in July 2018, steering the operations department which covers payments, deposit platforms, controls, regulatory reporting, vendor management and correspondent banking relationships. He is a member of the executive committee and ALCO.

Mr Azzopardi is an experienced professional with over 14 years' experience in the banking and assurance fields. His work experience covers finance, business, process improvements, leadership, and payments. Mr Azzopardi started his career with PricewaterhouseCoopers where he worked in various industries, locally, as well as in London and New York.

Mr Azzopardi is a warranted certified public accountant and holds a practicing certificate in auditing, both issued by the accountancy board in Malta. He is a member of the Malta Institute of Accountants. He holds an Honours degree in accountancy and a degree in commerce from the University of Malta.

CHIEF FINANCIAL OFFICER – KENNETH ZAMMIT

Mr Kenneth Zammit joined the Issuer as the Chief Financial Officer in October 2012, and is responsible for leading the finance, treasury and correspondent banking functions of the Issuer. He is a member of the executive committee, ALCO, the credit committee and the reserving committee. Mr Zammit is also appointed as the managing director of Vector Procurement Solutions Inc, a global procurement centre for the Group, based in Canada and holding a branch in Malta.

Mr Zammit is an experienced finance professional with over 25 years' experience in the banking, insurance, assurance, and other fields. His work experience covered the areas of finance, financial control, internal and external auditing, risk management, treasury management, correspondent banking, international payments, insurance and AML. Prior to joining the Issuer, Mr Zammit held a number of senior management positions with international banks operating from Malta, namely Renault Bank and Novum Bank. He also held senior management positions with Hal Mann group in Malta and Ernst & Young Malta.

Mr Zammit is a warranted certified public accountant and holds a practicing certificate in auditing, both issued by the Accountancy Board in Malta. He is a fellow of the Malta Institute of Accountants and the Malta Institute of Management. He holds an Honours degree in Accountancy and a degree in Commerce from the University of Malta.

HEAD OF I.T. – DANIEL CUTAJAR

Mr Daniel Cutajar joined the Issuer as Head of I.T. in March 2014. He is responsible for the I.T. function within the Issuer and is responsible for overseeing the Issuer's I.T. strategy, I.T. governance, business continuity, outsourcing agreements and support function. Mr Cutajar is a member of the Issuer's executive committee and the Group's IT management committee. He chairs the Issuer's I.T. GRC (I.T. Governance, Risk & Compliance) committee.

Mr Cutajar is an I.T. professional with over 23 years of experience within various I.T. positions mainly within financial institutions. Mr Cutajar held management positions at APS Bank plc and was the chief information officer of Insignia Cards Ltd before joining the Issuer. Mr Cutajar also held technical and management positions with RS2 Software p.l.c., Malta Information Technology Agency and within the 6PM Group.

Mr Cutajar holds an Masters in Business Administration eBusiness from the University of Malta and has other industry standard certifications such as Prince2, ITIL and IMIS.

3.4 COMMITTEES

The Board has established the following committees:

AUDIT COMMITTEE

The Board has delegated to the Audit Committee its oversight responsibilities for financial reporting, disclosures and the effectiveness of the Issuer's internal control systems. The Audit Committee is required at all times to be composed of at least three non-executive directors, with the majority of its members to be independent of the Issuer.

The purpose of the Audit Committee is to oversee the integrity and quality of the Issuer's financial reporting process; the effectiveness of the internal audit function; monitoring of the Issuer's legal and ethical compliance; the monitoring of the qualifications, performance and independence of the Issuer's external auditors; and the quality of the Issuer's internal controls.

As at the date of this Base Prospectus, the Audit Committee is composed of the following members: (i) Esa Tapani Teravainen (Chairman); (ii) Clemens-Matthias Fritz Krause; and (iii) Klaus Oscar Schmidt. Clemens-Matthias Fritz Krause is the member with competence in accounting, while Esa Tapani Teravainen and Klaus Oscar Schmidt are independent of the Issuer.

RISK MANAGEMENT COMMITTEE

The Board has delegated to the Risk Management Committee its oversight responsibilities of the risk management function of the Issuer. The Risk Management Committee is required at all times to be composed of at least three directors, two of whom must be non-executive directors, and must have appropriate knowledge, skills and expertise concerning risk management and control practices.

The purpose of the Risk Management Committee is:

- i. to oversee the policy and framework for all risks to which the Issuer may be exposed;
- ii. to develop and monitor a risk management system across the Issuer, including a risk appetite framework, and for ensuring the effective implementation of all risk policies;
- iii. to ensure that all risk controls operating throughout the Issuer are in accordance with regulatory requirements and best practice, and for advising the Issuer on the co-ordination and prioritisation of risk management issues throughout the Issuer;
- iv. that through its active participation in the Internal Capital Adequacy Assessment Process and Internal Liquidity Adequacy Assessment Process suite of documents, the committee oversees the impact of the implementation of the strategies for capital and liquidity management as well as reviewing a number of possible stressed scenarios to assess how the Issuer's risk profile would react to external and internal events; and
- v. to ascertain the integrity and suitability of the recovery plan.

As at the date of this Base Prospectus, the Risk Management Committee is composed of the following members: (i) Erik Ferm; (ii) Lea Liigus; and (iii) Victor Denaro.

ALCO

The Board has delegated to the ALCO its oversight responsibilities for the monitoring and management of the Issuer's liquidity risk, interest rate risk and capital adequacy positions. The ALCO is required at all times to be composed of at least three executive members of the Issuer, the majority of which should be members of the Issuer's senior management.

The purpose of the ALCO is to ensure that the management of the Issuer is appropriately identifying, measuring, controlling, and monitoring the Issuer's liquidity risk, interest rate risk, and capital adequacy positions.

As at the date of this Base Prospectus, the ALCO is composed of the following members: (i) Clemens-Matthias Fritz Krause; (ii) Antti Kumpulainen; (iii) Kenneth Zammit; (iv) Louie Scicluna; and (v) Dario Azzopardi.

CREDIT COMMITTEE

The Board has delegated to the Credit Committee its oversight responsibilities of all aspects of credit risk management of the Issuer. The Credit Committee is required at all times to be composed of at least three members of the Issuer, the majority of whom are required to be members of the Issuer's senior management.

The purpose of the Credit Committee is to ensure the effective management of the Issuer's credit portfolio through the implementation of sound and transparent credit scoring and decision-making processes around its various product lines. The Credit Committee is, inter alia, responsible to establish appropriate credit risk assessment practices and periodically review the appropriateness thereof.

As at the date of this Base Prospectus, the Credit Committee is composed of the following members: (i) Antti Kumpulainen; (ii) Louie Scicluna; (iii) Kenneth Zammit; and (iv) Clemens-Matthias Fritz Krause.

RESERVING COMMITTEE

The Board has delegated to the Reserving Committee its oversight responsibilities for the monitoring and management of the Issuer's credit loss reserves. The Reserving Committee is required at all times to be composed of at least three members of the Issuer.

The Reserving Committee is primarily responsible for safeguarding the soundness of the valuation of the Issuer's lending portfolio. The purpose of the Reserving Committee is to ensure that the Issuer has appropriate credit practices, including an effective system of internal control, to determine adequate expected credit loss (ECL) allowances in accordance with IFRS 9, as well as the Issuer's stated policies. Additionally, the Reserving Committee is also responsible to ensure the Issuer's compliance with all the relevant supervisory guidance issued by the ECB, as well as, the banking rules issued by the MFSA, specifically banking rule 09.

As at the date of this Base Prospectus, the Reserving Committee is composed of the following members: (i) Clemens-Matthias Fritz Krause; (ii) Bernd Egger; (iii) Kenneth Zammit; (iv) Louie Scicluna; (v) Antti Kumpulainen; and (vi) Daniel Kliem.

REMUNERATION AND NOMINATIONS COMMITTEE

The Remuneration and Nominations Committee of the Issuer determines the remuneration policy which is applicable to the Issuer's employees, as well as that applicable to 'identified staff' (that is staff whose professional activities have a material impact on the Issuer's risk profile). The Remuneration and Nominations Committee has access to external consultants on remuneration matters and also calls on in-house expertise in compliance, finance, risk and HR. As an ancillary matter to its functions, while the Remuneration and Nominations Committee does not consider candidates for appointment to the board of directors of the Issuer, the committee also considers candidates proposed for senior management positions prior to their appointment.

As at the date of this Base Prospectus, the Remuneration and Nominations Committee is composed of the following members: (i) Carmel Borg; and (ii) Jorma Jokela.

3.5 POTENTIAL CONFLICTS OF INTEREST

As at the date of this Base Prospectus, the Issuer has identified that the following roles may give rise to conflicts of interest:

- i. Jorma Jolavi Jokela, Clemens-Matthias Fritz Krause and Lea Liigus are directors and officers of the Issuer as well as directors of Ferratum (Malta) Holding Limited;
- ii. Lea Liigus and Clemens-Matthias Fritz Krause are directors of Multitude SE (with Lea Liigus also being the chief legal and compliance officer as well as a minority shareholder of the company), while Jorma Jolavi Jokela is the chief executive officer of Multitude SE;
- iii. Jorma Jolavi Jokela is a director of Ferratum Capital Oy, a subsidiary of Multitude SE while Lea Liigus is a member of the management board of Ferratum Capital Oy;
- iv. Clemens-Matthias Fritz Krause is the chairman of the board of directors of Swespar AB, also a subsidiary of Multitude SE; and
- v. Jorma Jolavi Jokela is also the sole shareholder and a director of JT Capital Limited and Jokela Capital OÜ, both shareholders of Multitude SE.

The Issuer is a party to a number of intragroup agreements with entities within its Group, which, albeit negotiated and entered into on an arms' length basis, may be construed as giving rise to a conflict.

Save as disclosed above, the Directors are not aware of any potential conflicts of interest which could relate to their roles within the Issuer or the Group.

04 Identity of Advisers and Auditors of the Issuer

4.1 ADVISERS

LEGAL ADVISERS

Name: Camilleri Preziosi
Address: Level 3, Valletta Buildings, South Street
Valletta VLT 1103, Malta

FINANCIAL ADVISERS

Name: Pricewaterhouse Coopers Malta
Address: 78, Mill Street
Zone 5, Central Business District
Qormi CBD 5090, Malta

SPONSORS & MANAGERS

Name: Calamatta Cuschieri Investment Services Ltd.
Address: Ewropa Business Centre
Triq Dun Karm
Birkirkara BKR 9034, Malta

Name: Rizzo Farrugia & Co. (Stockbrokers) Ltd.
Address: Airways House, Fourth Floor
Triq il-Kbira
Sliema SLM 1551, Malta

REGISTRAR

Name: Malta Stock Exchange plc
Address: Garrison Chapel
Castille Place
Valletta VLT 1063, Malta

4.2 AUDITORS

Name: Pricewaterhouse Coopers Malta
Address: 78, Mill Street,
Zone 5, Central Business District
Qormi CBD 5090, Malta

PricewaterhouseCoopers Malta is a firm of certified public accountants holding a warrant to practice the profession of accountant in terms of the Accountancy Profession Act (Cap. 281 of the laws of Malta) and a practicing certificate to act as auditors. The Accountancy Board registration number of PricewaterhouseCoopers Malta is AB/26/84/38.

The annual statutory financial statements of the Issuer for the financial years ended 2018, 2019 and 2020 have been audited by PricewaterhouseCoopers Malta.

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