

NOTICE TO A WRITTEN PROCEDURE

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Stockholm, 24 September 2019

To the bondholders in:

ISIN: SE0011167972 – Ferratum Capital Germany GmbH EUR 100,000,000 Senior Unsecured Bonds 2018/2022 (the "Bonds")

NOTICE OF WRITTEN PROCEDURE – REQUEST TO AMEND CERTAIN PROVISIONS IN THE TERMS AND CONDITIONS OF THE BONDS

This voting request for procedure in writing will be sent by regular mail on 24 September 2019 to Bondholders directly registered in the debt register (Sw. *skuldbok*) kept by Euroclear Sweden AB (the "CSD"). This voting request has also been published on the websites of the Issuer and the Agent (as defined below), in accordance with the terms and conditions of the Bonds (the "Terms and Conditions"). If you are an authorised nominee under the Swedish Central Securities Depositories and Financial Instruments Accounts Act or if you otherwise are holding Bonds on behalf of someone else on a Securities Account, please forward this notice to the holder you represent as soon as possible. For further information, please see below under Clause 4.3 (*Voting rights and*

Key information:

Record Date for being eligible to vote:	30 September 2019
Deadline for voting:	17:00 (CEST) 15 October 2019
Quorum requirement:	At least twenty (20) per cent. of the Adjusted Nominal Amount
Majority requirement:	At least fifty (50) per cent. of the Adjusted Nominal Amount

Nordic Trustee & Agency AB (publ) in its capacity as agent (the "**Agent**") for the holders of the bonds (the "**Bondholders**") in the above mentioned bond issue ISIN: SE0011167972 issued by Ferratum Capital Germany GmbH (the "**Issuer**"). In its capacity as Agent, and as requested by the Issuer, the

Agent hereby initiates a procedure in writing, whereby Bondholders can vote for or against the Issuer's request to amend the Terms and Conditions of the Bonds.

All capitalised terms used herein and not otherwise defined in this notice (the "**Notice**") shall have the meanings assigned to them in the Terms and Conditions of the Bonds.

Bondholders participate by completing and sending the voting form, attached hereto as Schedule 1 (the "**Voting Form**"), and, if applicable, the power of attorney/authorisation, attached hereto as Schedule 2 (the "**Power of Attorney**"), if the Bonds are held in custody other than by the CSD, to the Agent. If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee or another intermediary, you may have two different options to influence the voting for the Bonds, please see section 4.4 below. Please contact the securities firm you hold your Bonds through if you do not know how your Bonds are registered or if you need authorisation or other assistance to participate.

The Agent must **receive the Voting Form no later than 17:00 (CEST) on 15 October 2019** either by mail, courier or email to the Agent using the contact details set out in Clause 4.7 (*Address for sending replies*) below. Votes received thereafter may be disregarded.

To be eligible to participate in the Written Procedure, a person must meet the criteria for being a Bondholder on 30 September 2019 (the "**Record Date**"). This means that the person must be registered on a Securities Account with the CSD, as a direct registered owner (Sw. *direktregistrerad ägare*) or authorised nominee (Sw. *förvaltare*) with respect to one or several Bonds.

Disclaimer: *The Request (as defined below) is presented to the Bondholders, without any evaluation, advice or recommendations from the Agent whatsoever. The Agent has not reviewed or assessed this Notice or the Request (and its effects, should it be adopted) from a legal or commercial perspective of the Bondholders and the Agent expressly disclaims any liability whatsoever related to the content of this Notice and the Request (and their effects, should they be adopted). The Bondholders are recommended to seek legal advice in order to independently evaluate whether the Request (and their effects) is acceptable or not.*

1. Background

Ferratum Capital Germany GmbH (“**Ferratum Capital**”, the “**Issuer**” or the “**Funding SPV**”) is a subsidiary of Ferratum Oyj (the “**Guarantor**” and together with all its subsidiaries “**Ferratum Group**”, “**Ferratum**” or the “**Group**”). Ferratum Group has an outstanding bond volume of an aggregate EUR 220 million issued in three bonds: (i) a 16/20 EUR 40 million senior unsecured bond issued by Ferratum Bank p.l.c in December 2016 and June 2017, (ii) a 18/22 EUR 100 million senior unsecured bond issued by Ferratum Capital in May 2018 and (iii) a 19/23 EUR 80 million senior unsecured bond issued by Ferratum Capital in April 2019.

Since the Group’s first Nordic bond issued in 2016, Ferratum has been governed by a maintenance test measuring net debt to equity at a level below 3.0x¹. Following the 2016 bond issue, Ferratum has accelerated its strategic transition towards providing larger and longer-term loans with improved risk profile. This strategic transition increases the customer lifetime value, but it also grows the Group’s loan portfolio and thereby its asset base which is why the Group is looking to align the terms of the 2018/2022 bond with the terms of the terms of the 2019/2023 bond.

Specifically, Ferratum wishes to align the net debt to equity maintenance test in the 2018/2022 bond, where it stands at 3.0x, with the net debt to equity maintenance test in the 2019/2023 bond, where it stands at 3.5x.

For further information please see the presentation attached hereto as Schedule 3.

2. Amendment of the Terms and Conditions

In order to achieve the above-mentioned objectives, the Issuer hereby requests that Bondholders approve to amend the Terms and Conditions.

The proposed amendment consists of amending Clause 11 (*Financial Undertakings*) by amending the ratio for the maintenance test *Net Debt to Equity* from 3.00:1 for 3.50:1 as follows:

11. *Financial Undertakings*

Pursuant to the terms of the Guarantee and Adherence Agreement, the Guarantor shall ensure that, on each Reference Date, the ratio of Net Debt to Equity shall not exceed 3.50:1, based on the most recently delivered Financial Reports for the Guarantor.

¹ Ferratum Bank p.l.c is further governed by a maintenance test ensuring the bank’s capital cover ratio is above 1.3x.

The above amendment request is referred to as the "**Request**".

3. Consent fee

A consent fee amounting to 75 bps of the Adjusted Nominal Amount (on the date of this Notice) will be paid to the Bondholders. The consent fee will be payable to all persons who are registered as bondholders in the Issuer's debt register kept by Euroclear Sweden five (5) Business Days from the day when the Request shall be deemed to have approved, (the "**Consent Fee Record Date**") and the payment of the consent fee is expected to be made on the fifth (5th) Business Day after the Consent Fee Record Date through Euroclear Sweden's account based system.

4. Written Procedure

The following instructions need to be adhered to under the Written Procedure.

4.1 Final date to participate in the Written Procedure

The Agent must have received the votes by mail, courier or email to the address indicated below no later than 17:00 (CEST), 15 October 2019. Votes received thereafter may be disregarded.

4.2 Decision procedure

The Agent will determine if received replies are eligible to participate under the Written Procedure as valid votes.

When a requisite majority of consents of the total Adjusted Nominal Amount have been received by the Agent, the Request shall be deemed to be adopted, even if the time period for replies in the Written Procedure has not yet expired. In order to implement and effectuate the amendments, the Issuer and the Agent shall enter into amended and restated Terms and Conditions, and the Issuer, the Agent and the other parties to such Finance Documents to which consequential amendments will be made shall enter into an amendment and restatement agreement in respect of such Finance Documents.

Information about the decision taken under the Written Procedure will: (i) be sent by notice to the Bondholders and (ii) be published on the websites of (a) the Issuer and (b) the Agent.

A matter decided under the Written Procedure will be binding for all Bondholders, irrespective of them responding in the Written Procedure.

4.3 Voting rights and authorisation

Anyone who wishes to participate in the Written Procedure must on the Record Date (30 September 2019) in the debt register:

- (a) be registered as a direct registered owner of a Securities Account; or
- (b) be registered as authorised nominee in a Securities Account, with respect to one or several Bonds.

4.4 Bonds registered with a nominee

If you are not registered as a direct registered owner, but your Bonds are held through a registered authorised nominee or another intermediary, you may have two different options to influence the voting for the Bonds.

1. You can ask the authorised nominee or other intermediary that holds the Bonds on your behalf to vote in its own name as instructed by you.
2. You can obtain a Power of Attorney (Schedule 2) from the authorised nominee or other intermediary and send in your own Voting Form based on the authorisation. If you hold your Bonds through several intermediaries, you need to obtain authorisation directly from the intermediary that is registered in the debt register as bondholder of the Securities Account, or from each intermediary in the chain of bondholders, starting with the intermediary that is registered in the debt register as a Bondholder of the Securities Account as authorised nominee or direct registered owner.

Whether one or both of these options are available to you depends on the agreement between you and the authorised nominee or other intermediary that holds the Bonds on your behalf (and the agreement between the intermediaries, if there are more than one).

The Agent recommends that you contact the securities firm that holds the Bonds on your behalf for assistance, if you wish to participate in the Written Procedure and do not know how your Bonds are registered or need authorisation or other assistance to participate. Bonds owned by the Issuer, another Group Company or an Affiliate do not entitle to any voting rights.

4.5 Quorum

To approve the Request, Bondholders representing at least twenty (20) per cent of the Adjusted Nominal Amount must reply to the request under the Written Procedure in order to form a quorum.

If a quorum does not exist, the Agent shall initiate a second Written Procedure, provided that the relevant proposal has not been withdrawn by the Issuer. No quorum requirement will apply to such second Written Procedure.

4.6 Majority

At least fifty (50) per cent. of the Adjusted Nominal Amount for which Bondholders reply under the Written Procedure must consent to the Request in order for them to pass.

4.7 Address for sending replies

Return the Voting Form, Schedule 1, and, if applicable, the Power of Attorney/Authorisation in Schedule 2 or other sufficient evidence, if the Bonds are held in custody other than Euroclear Sweden, by regular mail, scanned copy by email, or by courier to:

By regular mail:

Nordic Trustee & Agency AB (publ)
Attn: Written Procedure Ferratum Capital Germany GmbH
P.O. Box 7329
S-103 90 Stockholm

By courier:

Nordic Trustee & Agency AB
Attn: Written Procedure Ferratum Capital Germany GmbH
Norrandsgatan 23
111 43 Stockholm

By email:

E-mail: voting.sweden@nordictrustee.com

5. FURTHER INFORMATION

For further questions to the Issuer, regarding the request, please contact the Issuer via Bernd Egger, CFO, bernd.egger@ferratum.com, +49 173 7931235.

For further questions to the Agent, regarding the administration of the Written Procedure, please contact the Agent at voting.sweden@nordictrustee.com or +46 8 783 79 00.

Stockholm, 24 September 2019

NORDIC TRUSTEE & AGENCY AB (PUBL)

As Agent

Enclosed:

Schedule 1	Voting Form
Schedule 2	Power of Attorney/Authorisation
Schedule 3	Presentation

VOTING FORM

Schedule 1

For the Written Procedure in Ferratum Capital Germany GmbH EUR 100,000,000 Senior Unsecured Bonds 2018/2022 with ISIN: SE0011167972.

The undersigned Bondholder or authorised person/entity (the “**Voting Person**”), votes either **For** or **Against** the Request by marking the applicable box below.

NOTE: *If the Voting Person is not registered as Bondholder (as defined in the Terms and Conditions), the Voting Person must enclose a Power of Attorney/Authorisation, see Schedule 2.*

For the Request

Against the Request

Name of the Voting Person: _____

Capacity of the Voting Person:

Bondholder:

²

authorised person

³

Voting Person’s reg.no/id.no
and country of incorporation/domicile: _____

Securities Account number at Euroclear Sweden:
(if applicable) _____

Name and Securities Account number of custodian(s):
(if applicable) _____

Nominal Amount voted for (in EUR): _____

Day time telephone number, e-mail address and contact person:

Authorised signature and Name ⁴

Place, date:

² When voting in this capacity, no further evidence is required.

³ When voting in this capacity, the person/entity voting must also enclose Power of Attorney/Authorisation (*Schedule 2*) from the Bondholder or other proof of authorisation showing the number of votes held on the Record Date.

⁴ If the undersigned is not a Bondholder according the Terms and Condition and has marked the box “authorised person”, the undersigned – by signing this document – confirms that the Bondholder has been instructed to refrain from voting for the number of votes cast with this Voting Form.

POWER OF ATTORNEY/AUTHORISATION

Schedule 2

For the Written Procedure in Ferratum Capital Germany GmbH EUR 100,000,000 Senior Unsecured Bonds 2018/2022 with ISIN: SE0011167972.

NOTE: This Power of Attorney/Authorisation document shall be filled out if the Voting Person is not registered as Bondholder on the Securities Account, held with Euroclear Sweden. It must always be established a coherent chain of power of attorneys derived from the Bondholder. I.e. if the person/entity filling out this Power of Attorney/Authorisation in its capacity as "other intermediary", the person/entity must enclose its Power of Attorney/Authorisation from the Bondholder.

Name of person/entity that is given authorisation (Sw. *Befullmäktigad*) to vote as per the Record Date:

Nominal Amount (in EUR) the person/entity is authorised to vote for as per the Record Date:

Name of Bondholder or other intermediary giving the authorisation (Sw. *Fullmaktsgivaren*):

We hereby confirm that the person/entity specified above (Sw. *Befullmäktigad*) has the right to vote for the Nominal Amount set out above.

We represent an aggregate Nominal Amount of: EUR _____

We are:

Registered as Bondholder on the Securities Account

Other intermediary and holds the Bondholder through (specify below):

Place, date: _____

Name:

Authorised signature of Bondholder / other intermediary (Sw. *Fullmaktsgivaren*)

PRESENTATION

Schedule 3

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Ferratum Capital Germany GmbH – Background material

**Contemplated amendment of terms to 18/22 EUR 100
million Senior unsecured bond (ISIN: SE0011167972)**

September 2019

Disclaimer

This Presentation (the "**Presentation**") has been produced by Ferratum Capital Germany GmbH (the "**Issuer**", or together with Ferratum Oyj (the "**Guarantor**") and their direct and indirect subsidiaries "**Ferratum Group**" or the "**Group**") solely for use in connection with the proposed amendment of the terms and conditions of the Issuer's EUR 100 million senior unsecured bonds issued in May 2018 with ISIN: SE0011167972 (the "**Bonds**") (the "**Proposal**") and may not be reproduced or redistributed in whole or in part to any other person. The sole bookrunner for the Proposal is Pareto Securities AB (the "**Sole Bookrunner**" or "**Pareto Securities**"). This Presentation is for information purposes only and does not in itself constitute an offer to sell or a solicitation of an offer to buy any of the Bonds. By attending a meeting where this Presentation is presented, or by reading the Presentation slides, you agree to be bound by the following terms, conditions and limitations.

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No due diligence has been carried out with respect of the Group in connection with the preparation of this Presentation. Thus, there may be risks related to the Group which are not included in this Presentation and which could have a negative effect on the Group's operations, financial position, earnings and result.

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Conflict of interest

The Sole Bookrunner and/or its Representatives may hold shares, options or other securities of the Group and may, as principal or agent, buy or sell such securities. The Sole Bookrunner may have other financial interests in transactions involving these securities or the Group.

It should be noted that the Group may have interests that conflict with other bondholders particularly if the Group encounters difficulties or is unable to pay its debts as they fall due.

Forward looking statements

Certain information contained in this Presentation, including any information on the Group's plans or future financial or operating performance and other statements that express the Group's management's expectations or estimates of future performance, constitute forward-looking statements (when used in this document, the words "anticipate", "believe", "estimate" and "expect" and similar expressions, as they relate to the Group or its management, are intended to identify forward-looking statements). Such statements are based on a number of estimates and assumptions that, while considered reasonable by management at the time, are subject to significant business, economic and competitive uncertainties. The Group cautions that such statements involve known and unknown risks, uncertainties and other factors that may cause the actual financial results, performance or achievements of the Group to be materially different from the Group's estimated future results, performance or achievements expressed or implied by those forward-looking statements.

Claims and litigations

Claims or legal action may in the future be made or initiated against the Group which may have significant unfavourable effects on the Group's financial position, performance and market position or on the pricing of the Bonds.

Audit review of financial information

Certain financial information contained in this Presentation has not been reviewed by the Group's auditor or any other auditor or financial expert. Hence, such financial information might not have been produced in accordance with applicable or recommended accounting principles and may furthermore contain errors and/or miscalculations. The Group is the source of the financial information, and none of the Group or the Sole Bookrunner or any of its Representatives shall have any liability (in negligence or otherwise) for any inaccuracy of the financial information set forth in this Presentation.

Governing law and jurisdiction

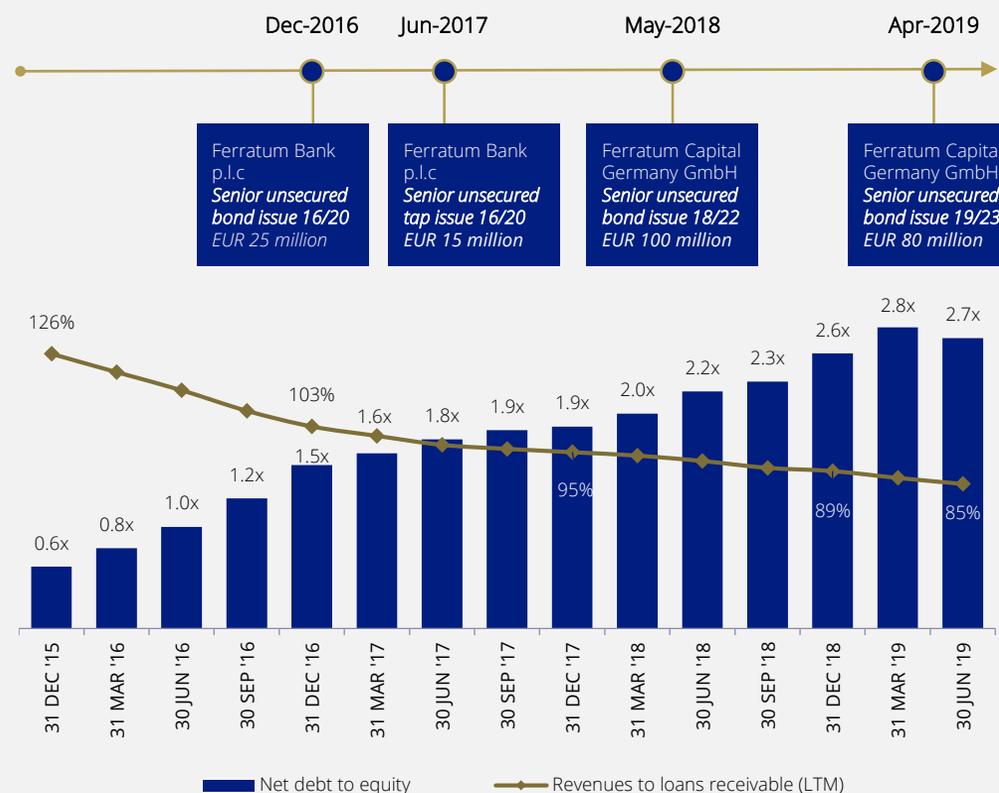
This Presentation is subject to Swedish law, and any dispute arising in respect of this Presentation is subject to the exclusive jurisdiction of Swedish courts.

Background

Introduction to proposed amendment of terms and conditions

- Ferratum Capital Germany GmbH (“Ferratum Capital”, the “Issuer” or the “Funding SPV”) is a subsidiary of Ferratum Oyj (the “Guarantor” and together with all its subsidiaries “Ferratum Group”, “Ferratum” or the “Group”)
- Ferratum Group has an outstanding bond volume of an aggregate EUR 220 million issued in three bonds:
 - 16/20 EUR 40 million Senior unsecured bond issued by Ferratum Bank p.l.c in December 2016 and June 2017
 - 18/22 EUR 100 million Senior unsecured bond issued by Ferratum Capital in May 2018
 - 19/23 EUR 80 million Senior unsecured bond issued by Ferratum Capital in April 2019
- Since the Group’s first Nordic bond issued in 2016, Ferratum has been governed by a maintenance test requiring net debt to equity not to exceed 3.0x¹
- Following the 2016 bond issue, Ferratum has accelerated its strategic transition from focusing on Microloans with small principals, high APRs and short maturities towards providing larger, longer-term loans with lower APRs (e.g. Primeloans and loans to SMEs)
 - The product category evolution increases the customer lifetime value, while decreasing the relative return on the Group’s asset base
 - This, in turn, also leads to an improved risk profile of Ferratum, as the customers targeted for e.g. Primeloans are on the higher end of the Group’s scoring tables
- As Ferratum’s operations and strategy have changed from its early days, now operating with a lower risk appetite, the Group is looking to align the bond terms of the 2018/2022 bond with the 2019/2023 bond, which is governed by a maintenance test requiring net debt to equity not to exceed 3.5x
- The amendment would allow Ferratum to continue growing its revenues and profits while focusing on lower risk products with lower APRs

Ferratum’s Nordic bond issues and leverage development



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(1) Ferratum Bank p.l.c is further governed by a maintenance test ensuring the bank’s capital cover ratio is above 1.3x.

Amendment of terms and conditions

Proposed amendment to 18/22 EUR 100 million Senior unsecured bond terms (ISIN: SE0011167972)

Current terms

11. Financial Undertakings

Pursuant to the terms of the Guarantee and Adherence Agreement, the Guarantor shall ensure that, on each Reference Date, the ratio of Net Debt to Equity shall not exceed 3.00:1, based on the most recently delivered Financial Reports for the Guarantor.

Proposed new terms

11. Financial Undertakings

Pursuant to the terms of the Guarantee and Adherence Agreement, the Guarantor shall ensure that, on each Reference Date, the ratio of Net Debt to Equity shall not exceed 3.50:1, based on the most recently delivered Financial Reports for the Guarantor.

Consent fee

Provided that a requisite majority votes in favour of the proposal, all holders will receive a consent fee in an amount equal to **0.75 per cent** of the nominal amount per bond the bondholder holds

Reasoning behind covenant level increase

1

Adoption of IFRS 9 and IFRS 16

- The adoption of IFRS 9 had a direct impact on Ferratum's equity, as the required changes to the credit loss provision model led to an additional one-time provision on January 1st, 2018 of EUR 20.9 million, of which the impact on equity was a negative EUR 15.1 million
 - No transition rule applicable as for traditional banks; the entire adjustment was taken at cost immediately
- The adoption of IFRS 16 had a direct impact Ferratum's liabilities, as operating leases had to be recognised on balance sheet, resulting in a EUR 8.2 million increase in liabilities
 - Capitalised operating lease liabilities relating to IFRS 16 are normally, and according to market practice, excluded from interest-bearing debt according to bond terms
 - However, as net debt in Ferratum's bond terms refers to the Group's total liabilities less cash, the capitalised operating lease liabilities had a direct impact on Ferratum's leverage although the operations remained unchanged

2

Strategic transition towards low APR products

- Following the 2016 bond issue, Ferratum has accelerated its strategic transition from focusing on Microloans with small principals, high APRs and short maturities towards providing larger, longer-term loans with lower APRs (e.g. Primeloans, Credit Limit and loans to SMEs)
 - The product category evolution increases the customer lifetime value, while decreasing the relative return on the Group's asset base
- This leads to an improved risk profile of Ferratum, as the customers targeted for e.g. Primeloans are on the higher end of the Group's scoring tables

3

Alignment of terms

- The Issuer's bond maturing in 2023 has a maintenance test requiring net debt to equity not to exceed a level of 3.5x, whereas the Issuer's 18/22 bond requires net debt to equity not to exceed a level of 3.0x
- The Issuer would like to align the terms of its two outstanding bonds

1 Adoption of new reporting standards

Adoption of IFRS 9 (1.1.2018-)

- The adoption of IFRS 9 had a direct impact on Ferratum's equity, as the required changes to the credit loss provision model led to an additional one-time provision of EUR 20.9 million, of which the impact on equity was a negative EUR 15.1 million while EUR 5.8 million corresponded to an increased deferred tax
 - Traditional banks had the option to apply a transitional arrangement to allow for "phasing in" the capital impact for the adoption of IFRS 9 over a five-year period
 - Ferratum was not allowed to apply the transition rule, which led to the entire adjustment was taken at cost immediately January 1st, 2018
- Ferratum's equity amounted to EUR 105.2 million on December 31st, 2017
 - The EUR 15.1 million impact on January 1st, 2018 amounted to a 14% decrease in the Group's total equity position
 - Net debt to equity increased from 1.86x to 2.21x, corresponding to a 17% increase in the Group's net leverage ratio

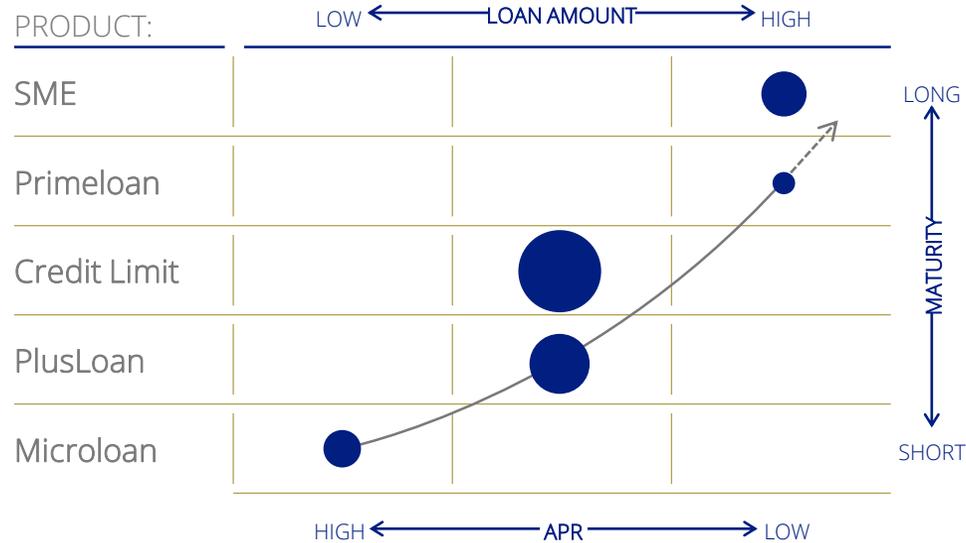
Adoption of IFRS 16 (1.1.2019-)

- The adoption of IFRS 16 had a direct impact Ferratum's liabilities, as operating leases had to be recognised on balance sheet, resulting in a EUR 8.2 million increase in liabilities
 - Capitalised operating lease liabilities relating to IFRS 16 are normally, and according to market practice, excluded from interest-bearing debt according to bond terms
 - However, as net debt in Ferratum's bond terms refers to the Group's total liabilities less cash and cash equivalents, the capitalised operating lease liabilities had a direct impact on Ferratum's net leverage ratio although the operations remained unchanged
- Ferratum's total liabilities amounted to EUR 392.8 million on December 31st, 2018
 - The EUR 8.2 million impact on January 1st, 2019 amounted to a 2% increase in the Group's liabilities
 - Net debt to equity increased from 2.58x to 2.66x, corresponding to a 3% increase in the Group's net leverage ratio

Combined impact on net debt to equity of ~0.4x solely due to changes in IFRS reporting

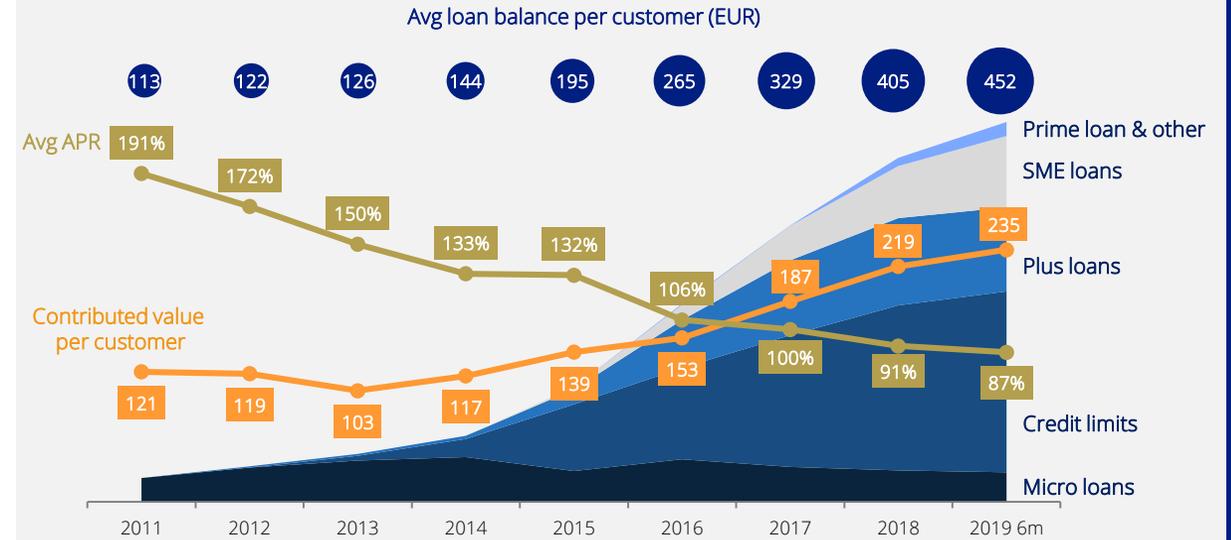
2 Strategic transition

Product evolution changes risk requirements



- Following the 2016 bond issue, Ferratum has accelerated its strategic transition from focusing on Microloans with small principals, high APRs and short maturities towards providing larger, longer-term loans with lower APRs (e.g. Primeloans, Credit Limit and loans to SMEs)
 - The product category evolution increases the customer lifetime value, while decreasing the relative return on the Group's asset base
 - This, in turn, also leads to an improved risk profile of Ferratum, as the customers targeted for e.g. Primeloans are on the higher end of the Group's scoring tables

Value contributed by customer offsets lower APRs



- Transitioning towards lower APR products opens up a vast segment of customers with better payment behaviour and a lower credit risk while also increasing the Group's readiness to deal with any further interest rate regulation
- However, the transition has a direct impact on the Group's financial metrics, as obtaining the same absolute profits require tying up more capital in loan receivables
- Increasing the leverage covenant level would allow the Group to continue growing its revenues and profits while focusing on lower risk products with lower APRs
 - The reduced risk profile of customers is deemed to offset the increased credit risk distinguished by bond investors owing to the sought increase in leverage headroom

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