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Helsinki, 12 May 2021 - Ferratum Oyj (ISIN: FI4000106299, WKN: A1W9NS) ("Ferratum" or the "Group") announces unaudited results for the first 3 months ended 31 March 2021 ("Q1 2021").

Financial Highlights

- Market conditions affected by COVID-19 related lockdowns and decreased loan demand
- Solid start into 2021 reaching an EBIT of EUR 5.4 million; credit losses remained well under control

- Launch of SweepBank with continued strong increase in revenues: y-o-y +79.3%

<i>Key Figures, EUR million</i>	Q1 2021	Q1 2020
<i>Revenue</i>	51.9	65.6
<i>Operating profit (EBIT)</i>	5.4	-2.3
<i>Profit before tax</i>	0.6	-8.3
<i>Earnings per share, basic (EUR)</i>	-0.01	-0.39
<i>Earnings per share, diluted (EUR)</i>	-0.01	-0.39

Continued cautious underwriting approach in the Ferratum tribe and a controlled increase of the Group's risk appetite in its core products SweepBank and CapitalBox

In Q1 2021 the Group's financial performance and results remained affected by the COVID-19 pandemic. The company continued with its cautious sales and scoring approach in the Ferratum (Near Prime) tribe, in which the Group has, as a reaction to the COVID-19 pandemic, reduced its lending activities since Q1 2020. The Group has selectively increased its risk appetite and marketing activities in the SweepBank tribe which includes Primeloan and the Mobile Wallet as well as in CapitalBox, the Group's SME lending unit. SweepBank and CapitalBox which both have shown substantial growth since Q2 2020 accounted already for 29.8% of the Group's net receivables with EUR 115.4 million at end of Q1 2021.

Improved impairments and profit before taxes at break-even

The Group's revenues came in at EUR 51.9 million, a decrease of 20.9 % (Q1 2020: EUR 65.6 million). The decrease in revenues is a result of the continued effects from the COVID-19 pandemic and the company's earlier decision to discontinue lending in selected markets. The Group has however been able to steadily increase sales and its risk appetite in the SweepBank (Primeloan and Mobile Wallet) and CapitalBox (SME lending) tribes.

Operating profit (EBIT) for the first quarter of 2021 came in at EUR 5.4 million which is an increase of EUR 7.7 million compared to 2020 (Q1 2020 EUR -2.3 million).

The y-o-y EBIT increase of EUR 7.7 million is mainly a result of a decrease in impairments. Impairments stood in Q1 2021 at EUR 16.5 million which corresponds to a reduction of 53.7% compared to Q1 2020 (Q1 2020: EUR 35.6 million, including EUR 7.8 million impairment related to deteriorating macroeconomic forecast) and reflected 31.8 % of revenues. In addition, personnel expenses were down by 13.5 % to EUR 8.6 million (Q1 2020: EUR 10.0 million).

Financial costs (net) decreased from EUR 6.0 million in Q1 2020 to EUR 4.8 million in Q1 2021. The decrease was driven by lower interest expenses and improved FX effects. Profit before income tax was slightly positive at EUR 0.6 million (Q1 2020: EUR -8.3 million).

Balance sheet ratios and financial metrics continued to remain strong

As at the end of Q1 2021, equity stood at EUR 124.9 million (31.12.2020: EUR 125.6 million) and the equity-ratio was at a healthy level of 16.3 % (31.12.2020: 18.6 %). Net debt to equity increased from 2.49 at the end of 2020 to 2.74 as of end of Q1 2021.

Total assets up by 13.7 %, driven by cash and accounts receivables

Total Assets increased from EUR 675.1 million at the end of Q4 2020 by EUR 92.6 million to EUR 767.6 million at the end of Q1 2021. Most important drivers were cash and cash equivalents and accounts receivables. Compared to end of Q4 2020, cash and cash equivalents were up by 27.0 % or by EUR 63.9 million at EUR 300.4 million. Accounts receivable grew with 7.4 % to EUR 387.8 million. The increase in net receivables is a result of the Group's successful increased loan disbursement of its strategic key segments SweepBank, more specifically the Primeloan product, and CapitalBox. Primeloan revenues came in at EUR 1.5 million and net accounts receivables for Primeloan stood at EUR 44.9 million, this reflects already a 11.6 %

share of total net accounts receivables. In addition, net accounts receivables for Primeloan and Capitalbox reached EUR 115.4 million at the end of Q1 2021 which represents a 29.8 % share of the Group's total net loan book of EUR 387.8 million.

At the end of Q12021, current assets stood at EUR 710.1 million (31.12.2020: EUR 615.1 million), this equals to 92.5 % of total assets while non-current assets stood at EUR 57.6 million (7.5 % of total assets).

Current liabilities increased by 28.3 % or by EUR 86.7 million to EUR 393.3 million representing 51.2 % of total equity and liabilities. The largest driver for this increase was deposits which grew by 32.2 % to EUR 364.8 million. Non-current liabilities were almost stable at EUR 249.5 million (31.12.2020: EUR 243.0 million).

At the end of Q1 2021, current and non-current deposits totaled to EUR 435.6 million (31.12.2020: EUR 339.5 million) resulting in a higher liquidity . This enables the Group to continue with the strategically important growth in the SweepBank and CapitalBox segments.

At the end of Q1 2021, the Group had 683 employees, a decrease from Q1 2020 (771 employees). Personnel expenses were y-o-y down by 13.5% at EUR 8.6 million (2020 Q1: EUR 10.0 million).

Rebranding of segments and tribes

The Group has during the first quarter rebranded its previous segments Microloan, PlusLoan, CreditLimit, CapitalBox and Mobile Wallet including Primeloan. The newly introduced segments and brands within the Group are called Ferratum, CapitalBox and SweepBank. According to the new strategy, the Group's business units will gain a more independent role and will consequently be even more closely aligned to their clients and their specific needs. The Group will concentrate on business-critical operations, with cost advantages derived from delivering greater economies of scale.

The Group's role remains as an enabler, or a platform, for the business units to flourish. Primelending and the Mobile Wallet business has now been rebranded SweepBank, a brand with a very clear customer focus and an ambition to make its clients' lives easier. The brand Ferratum is reserved for the Near Prime lending business.

Brand	Products
Ferratum	Microloan, PlusLoan and Credit Limit
CapitalBox	SME lending
SweepBank	Primeloan and Mobile Wallet

Matching share plan

The Group introduced during Q1 2021 a matching share plan for its employees. Under the program, employees have twice a year the opportunity to invest 5% of their annual salary in the Company's shares. The shares will vest after a two-year holding period, after which the Company will match the shares at a 1:1 ratio. In the first tranche, a total of 113 employees participated in the matching share plan with a total investment of EUR 262 560.

Risk management

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

The Board of Directors monitors operations regularly and is ultimately responsible for adequate risk management and ensuring that the Group has access to the appropriate software, including instructions on controlling and monitoring risks. The CEO of the Group is responsible for the daily operations. Each member of the Leadership Team ultimately bears responsibility for identifying and controlling the risks related to their functions in line with instructions from the Board.

The Group proactively follows all legal changes that might occur in the countries it operates in and adjusts its operations accordingly, while always considering customer and user experience.

The risks of the company operations can be divided into three main categories: credit risks (receivables from customers), market risks (including foreign exchange risks, interest rate risks and other price risks) and operational risks (such as IT risks, legal and regulatory risks and other operational risks).

Exposure to credit risks arises principally from the Group's short-term lending activities. The risk is managed by proprietary risk management tools which assist subsidiaries in evaluating the payment behaviour of customers. These tools, which are continuously updated and refined, ensure that only solvent customers are accepted, thereby controlling the level of credit losses.

The scoring system and the credit policies of the Group's subsidiaries are managed by the central risk department. The risk department is also responsible for the measurement of the payment behaviour of the credit portfolio on a daily, weekly, and monthly basis.

Market risks arise from open positions in interest rate and currency products. They are managed by the central treasury function, which is also, in close cooperation with FP&A, responsible for Group cash flow planning and ensures the necessary liquidity level for all Group entities. Ferratum uses derivative financial instruments to hedge certain risk exposures.

Operational risks, IT risks, as well as legal and regulatory risks, are of high relevance for The Group. Regulatory and legal risks are managed centrally by the Group's legal function in close cooperation with the authorities in the respective countries and relevant stakeholders. Potential or foreseeable changes in applicable laws are analysed on an ongoing basis and any necessary modifications to the company's operations are implemented proactively.

The COVID-19 pandemic

The Group decided, in the early stages of the COVID-19 pandemic, to limit lending activities to higher risk customers in both the consumer and SME lending segments. After having revised its loan policies and scoring algorithms in Q2 2020, to improve underwriting in times of such high volatility, the company found itself in Q3 2020 in a healthy position to actively target customers that were in a stable financial situation despite the ongoing pandemic.

The adjusted algorithms and scoring policies helped the Group to maintain and even improve payment behaviour in certain countries during Q2 2020, and this healthy payment behaviour has been maintained during Q3 2020, Q4 2020 and Q1 2021, while disbursement rates have increased as demand has returned in key markets.

The Group continues to tightly monitor its underwriting performance for any early indications of deteriorating payment behaviour and properly judge the impact of governmental measures.

Due to this combination of tighter monitoring and a better understanding of the economic impacts of COVID-19-related lockdowns, The Group has maintained healthy portfolio quality through the pandemic and has not seen any significant impact on materialised credit losses.

The Group manages its risk provisioning in accordance with IFRS 9, that relies on a forward oriented methodology. Based on future macroeconomic indicators and previously recorded correlations, the reserving model is adjusted in accordance with the macroeconomic outlook. Based on this rigorous reserving model, the company increased its credit loss provisioning by EUR 7.8 million in Q1 2020, which remained unchanged as of March 31, 2021.

The Group retained its current provisioning unchanged after having taken cognisance of the economic forecasts for 2021, thereby assessing the impact of the COVID-19 outlook for 2021 macroeconomic forecasts. Accordingly, the expected credit loss model inputs utilised during Q1 2020 were deemed adequate to determine its Expected Credit Losses based on management judgement, and management will continue to closely monitor the economic forecasts releases and adjust the model inputs and assess its outcomes in the light of revised macroeconomic data and other quantitative and qualitative information.

Rating updates

Fitch Ratings affirmed in March the Long-Term Issuer Default Rating (IDR) of both Ferratum Oyj and the senior unsecured callable floating rate bonds, issued by Ferratum Capital Germany GmbH, at 'B+'. The Outlook on the Long-Term IDR is Negative.

Annual General Meeting

The Group's Annual General Meeting was held on 20 April 2021 under special arrangements due to the COVID-19 pandemic. The Annual General Meeting adopted the Annual Accounts including the Consolidated Annual Accounts for the financial year 2020 and discharged the members of the Board of Directors and the CEO from liability for the financial year 2020. The Annual General Meeting decided in accordance with the proposal of the Board of Directors that for the financial year ended 31 December 2020, no dividends be distributed.

The board members were re-elected during the Annual General Meeting, Goutam Challagalla, Michael A. Cusumano, Jorma Jokela, Clemens Krause, Lea Liigus, Frederik Strange and Juhani Vanhala, each one for a term ending at the end of the next Annual General Meeting.

PricewaterhouseCoopers Oy, with APA Jukka Karinen as the responsible auditor, was appointed as auditor of the Company for a term ending at the end of the next Annual General Meeting.

An authorization to the Board of Directors to decide to repurchase a maximum of 1,086,198 shares in the Company was given. This authorisation is in force until the end of the next Annual General Meeting, however, no longer than until 30 June 2022. The Board of Directors was also given an authorisation to decide to issue a maximum of 3,258,594 shares, which corresponds approximately to 15 per cent of the Company's total amount of shares, this authorisation is in force until the end of the next Annual General Meeting, however, no longer than until 30 June 2022.

For further information on the Annual General Meeting, please visit the Groups website.

Subsequent events

Board of Directors proposed the change of the Group name to Multitude SE

The Board of Directors proposed on May 11 the change of the Group name from Ferratum Oyj to Multitude SE.

The new name emphasises the Group's role as an enabler, or a platform. The Primelending and Mobile Wallet business have been rebranded SweepBank, a brand with a very clear customer focus and an ambition to make its clients' lives easier. The name Ferratum has been reserved for the Near Prime (Microloan, PlusLoan and Credit Limit) lending business. The Groups SME lending remains under the CapitalBox brand.

About Ferratum Group:

Ferratum Group is an international provider of mobile banking and digital consumer and small business loans, distributed and managed by mobile devices. Founded in 2005 and headquartered in Helsinki, Finland, Ferratum has expanded to operate in 19 countries across Europe, Africa, South and North America, Australia and Asia.

As a pioneer in digital and mobile financial services technology, Ferratum is at the forefront of the digital banking revolution. Ferratum has approximately 480,000 active customers that have an open Mobile Bank or Wallet account or an active loan balance in the last 12 months (as at 31 March 2021).

Ferratum Group is listed on the Prime Standard of Frankfurt Stock Exchange under symbol 'FRU.' For more information, visit www.ferratumgroup.com.

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