

Condensed interim consolidated financial statements

At and for the three months
period ended March 31, 2024 and
2023

MOONEY GROUP S.p.A.

MOONEY GROUP S.p.A.

Share capital: Euro 10,050,000.00 fully paid-up R.E.A. of Milan: 2527401

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mooney

Management Discussion & Analysis

Mooney Group Profile

Mooney Group S.p.A. group (hereafter the “**Group**” or “**Mooney**”) is a company incorporated in Italy, with registered and administrative offices in Milan, in Via Privata N. Bonnet 6/A, organized under the laws of the Republic of Italy. The current name of the Company was adopted in April 2021. Previously, the Company was called SisalPay Group S.p.A.

The Company and its subsidiaries operate principally in the collection and payment services sector, both the segment of services requiring specific authorization of the Bank of Italy, and in the segment of other non-supervised services such as the marketing of top-ups for telephone and TV content.

At the end of July 2019, the Sisal Group concluded an important strategic agreement with Banca 5 S.p.A. to combine their respective payment services businesses through a series of corporate transactions, in order to create a group leader in the sector of payment services distributed through proximity banking and digital banking channels throughout Italy. As a result, starting from the operational closing of the complex operation on December 13, 2019, these businesses are managed by the two operational companies Mooney Servizi S.p.A. (former SisalPay Servizi S.p.A.) and Mooney S.p.A. (former SisalPay S.p.A.) (the latter is an e-money institute subject to supervision by the Bank of Italy), both 100% owned by Mooney Group S.p.A.

The Company, after the Closing in the month of July 2022 of the sale by the previous parent company Schumann Investments SA of its shareholding to the current shareholder Banca 5 S.p.A (recently renamed Isybank S.p.A.) and to new shareholder Enel X S.r.l., which is part of the ENEL group, is currently joint controlled by the two shareholders, each owing 50% of the capital stock of the Group.

Key Factors affecting operations in the three months ended March 31, 2024

In the first quarter 2024, the Italian GDP was estimated up 0.6%¹ compared to the same period of last year and the carry-over annual GDP growth estimate for 2024 is equal to 0.5%.

In spite of the ongoing weakness of the macroeconomic scenario, driven by the various international crises still underway and the CPI trend following the energy shock which is still impacting the general economic environment, in the first three months 2024 Mooney is continuing to deliver a positive financial performance in terms of revenues (net of distribution network fees, up 1% compared to the first quarter 2023) while adjusted EBITDA closed flat compared to Prior Year, but on pro forma basis, neutralizing the impact of the expected closing, occurred at the end of the second quarter 2023, of some payments contracts related to automotive segment, was up approx. 14% compared to the first three months ended March 31, 2023.

¹ Istat data

Full P&L results

The following table sets forth our full P&L results:

(€ in millions)	Three months ended March 31,				
	2023	% of total revenues and income	2024	% of total revenues and income	% change 2023-2024
Revenues	117.4	99.4%	106.3	99.3%	(9.4%)
Other revenues and income	0.7	0.6%	0.8	0.7%	11.9%
Total revenues and income	118.0	100.0%	107.1	100.0%	(9.3%)
Purchases of materials, consumables and merchandise	1.0	0.9%	1.0	1.0%	(0.3%)
Costs for services	83.5	70.7%	69.1	64.5%	(17.2%)
Lease and rent expenses	0.5	0.4%	0.4	0.4%	(22.1%)
Personnel costs	9.2	7.8%	10.9	10.2%	18.6%
Other operating costs	2.1	1.8%	1.7	1.6%	(18.1%)
Amortization, depreciation, provisions and impairment losses and reversals	19.7	16.7%	18.0	16.8%	(8.5%)
Net operating profit (EBIT)	2.0	1.7%	5.9	5.5%	194.5%
Finance income and similar	0.2	0.1%	1.3	1.2%	685.3%
Finance expenses and similar	21.6	18.3%	25.4	23.7%	17.3%
Profit (loss) before income taxes	(19.5)	(16.5%)	(18.1)	(16.9%)	6.8%
Income taxes	(4.2)	(3.5%)	(3.7)	(3.4%)	(12.6%)
Total profit (loss) for the period	(15.3)	(12.9%)	(14.5)	(13.5%)	5.2%

Revenues and income

The following table sets forth our revenues and income for the periods indicated in absolute numbers and as a percentage of total revenues and income:

(€ in millions)	Three months ended March 31,				Change	
	2023	% of total revenues and income	2024	% of total revenues and income	(amount)	%
Payments and other services revenues	97.5	82.6%	88.5	82.7%	(8.9)	(9.2%)
Merchant services and others	20.6	17.4%	18.6	17.3%	(2.0)	(9.6%)
Total	118.0	100.0%	107.1	100.0%	(10.9)	(9.3%)

Revenues and income, amounted to €107.1 million for the three months ended March 31, 2024, a decrease of €10.9 million, or 9.3%, compared to €118.0 million for the three months ended March 31, 2023. Revenues results are composed by Payments and other services revenues, detailed in the following table, and Merchant services and others, mainly related to a B2B offering of technology infrastructure and solutions to our PoS partners. Revenues results are mainly driven by decrease of Payments and other services revenues. As a percentage of Total revenues and income, Payments and other services revenues amounted to 82.7% for the three months ended March 31, 2024, while Merchant services and others revenues amounted to 17.3%, compared to respectively 82.6% and 17.4% for the three months ended March 31, 2023; the decrease in Merchant services and others revenues is mainly driven by the distribution network optimization process implemented starting last quarter 2023, which involved the closure of low-performing and doubtful receivables generating PoS.

Payments and other services revenues

The following table sets forth our Payments and other services revenues for the periods indicated:

(€ in millions)	Three months ended March 31,				Change	
		% of total revenues and income		% of total revenues and income	(amount)	%
	2023		2024			
Payments & Banking revenues	85.5	72.4%	71.4	66.7%	(14.0)	(16.4%)
Prepaid cards revenues	8.4	7.1%	11.3	10.6%	2.9	34.9%
Mobility revenues	3.6	3.1%	5.8	5.4%	2.1	59.2%
Total	97.5	82.6%	88.5	82.7%	(8.9)	(9.2%)

The overall Payments and other services revenues amounted to €88.5 million for the three months ended March 31, 2024, a decrease of €8.9 million, or 9.2%, compared to €97.5 million for the three months ended March 31, 2023.

Payments and other services revenues are composed by:

- Payments & Banking revenues: payments of various types of bills, including utilities, fines, taxes and subscription; telco revenues including top-ups of mobile phones, pay-per-view TV cards, and e-commerce accounts; banking products and services revenues including a B2B, B2C and B2B2C offering of products and services, like cash withdrawals and deposits, bank accounts, bank transfers and personal and business lending and insurance products; other products revenues mainly related to railways ticket distribution and other tops ups like shopping online vouchers.
- Prepaid cards revenues: issuance and top-up of own-branded prepaid debit cards and top-up services for our partners' prepaid debit cards.
- Mobility revenues: ticketing distribution and related sw development revenues related to Pluservice group acquisition completed end of July 2020.

Payments and other services revenues results are mainly driven by the expected anticipated closing, occurred at the end of the second quarter 2023, of some payments contracts in the perimeter of the acquisition of the Enel X business (principally related to automotive payments segment).

By the way total management revenues, mainly net of distribution network fees reported in the costs of services was, as already mentioned above, up 1% compared to the first three months 2023.

Costs

Purchases of materials, consumables and merchandise

Purchases of materials, consumables and merchandise amounted to €1.0 million for both the three months ended March 31, 2024 and 2023, representing 1.0% of total revenues and income for the three months ended March 31, 2024 and 0.9% of total revenues and income for the three months ended March 31, 2023.

Costs for services

Costs for services amounted to €69.1 million for the three months ended March 31, 2024, a decrease of €14.4 million, or 17.2%, compared to €83.5 million for the three months ended March 31, 2023.

Costs for services amounted to 64.5% of total revenues and income for the three months ended March 31, 2024, compared to 70.7% of total revenues and income for the three months ended March 31, 2023.

The following table sets forth an analysis of costs for services for the indicated periods:

(€ in millions)	Three months ended March 31,				Change	
		% of total revenues and income		% of total revenues and income	(amount)	%
	2023		2024			
Sales channel - payments services	58.0	49.1%	47.0	43.9%	(11.0)	(18.9%)
Commercial services	1.7	1.5%	1.1	1.0%	(0.7)	(38.9%)
Consulting	3.1	2.6%	1.7	1.6%	(1.4)	(45.9%)
Others services costs	20.6	17.5%	19.3	18.0%	(1.3)	(6.3%)
Total cost for services	83.5	70.7%	69.1	64.5%	(14.4)	(17.2%)

- *Sales channel – payments services* amounting to €47.0 million for the three months ended March 31, 2024, a decrease of €11.0 million, or 18.9%, compared to €58.0 million for the three months ended March 31, 2023, mainly driven by decrease in related Payments and other financial services revenues. As a percentage of Total revenues and income, sales channel payments services amounted to 43.9% for the three months ended March 31, 2024 and to 49.1% for the three months ended March 31, 2023.
- *Commercial services* amounting to €1.1 million for the three months ended March 31, 2024, a decrease of €0.7 million, or 38.9%, compared to €1.7 million for the three months ended March 31, 2023. As a percentage of Total revenues and income, Commercial services amounted to 1.0% for the three months ended March 31, 2024 and to 1.5% for the three months ended March 31, 2023. This cost item is mainly related to marketing, advertising and sponsorships and residually to other commercial initiatives.
- *Consulting* amounting to €1.7 million for the three months ended March 31, 2024, a decrease of €1.4 million, or 45.9%, compared to €3.1 million for the three months ended March 31, 2023. As a percentage of Total revenues and income, Consulting amounted to 1.6% for the three months ended March 31, 2024 and to 2.6% for the three months ended March 31, 2023.
- *Other services costs* amounting to €19.3 million for the three months ended March 31, 2024, a decrease of €1.3 million, or 6.3%, compared to €20.6 million for the three months related to March 31, 2023. As a percentage of Total revenues and income, Other services costs amounted to 18.0% for the three months ended March 31, 2024 and to 17.5% for the three months ended March 31, 2023. Other services costs are mainly related to Bank fees, outsourcing costs, maintenance fees and other expenses.

In general the reduction trend in the costs base is driven by the above commented revenues trend but also due to the efficiency programs which were implemented during the previous year and carried forward during the first months of 2024.

Personnel costs

Personnel costs amounted to €10.9 million for the three months ended March 31, 2024, an increase of €1.7 million, or 18.5%, compared to €9.2 million for the three months ended March 31, 2023. As a percentage of total revenues and income, Personnel costs amounted to 10.2% for the three months ended March 31, 2024 and 7.8% for the three months ended March 31, 2023. Our average workforce, expressed in full time equivalents and including staff seconded by shareholders, reached 792 for the three months ended March 31, 2024, substantially flat compared to the three months ended March 31, 2023. The increase in Personnel costs is mainly driven by variable costs expensed pro rata temporis based on budget figures (with different phasing in accounting versus prior year) and lower capitalized costs related to software developments in the first three months 2024 compared to the same period of previous year.

Other operating costs

Other operating costs amounted to €1.7 million for the three months ended March 31, 2024, a decrease of €0.4 million, or 19.0%, compared to €2.1 million for the three months ended March 31, 2023, mainly driven by the decrease in other non income taxes and duties (mainly related to undeductible VAT). As a percentage of Total revenues and income, Other operating costs amounted to 1.6% for the three months ended March 31, 2024 and to 1.8% for the three months ended

March 31, 2023.

Amortization, depreciation, provisions and impairment losses and reversals

Amortization, depreciation, provisions and impairment losses and reversals amounted to €18.0 million for the three months ended March 31, 2024, a decrease of €1.7 million, or 8.6%, compared to €19.7 million for the three months ended March 31, 2023. As a percentage of total revenues and income, Amortization, depreciation, provisions and impairment losses and reversals amounted to 16.8% for the three months ended March 31, 2024 and to 16.7% for the three months ended March 31, 2023; the decrease is mainly related to the trend of Amortization and depreciation of both tangible and intangible assets and also of impairment of receivables.

Net operating profit (EBIT)

Net operating profit (EBIT) amounted to €5.9 million for the three months ended March 31, 2024, compared to a net operating profit amounted to €2.0 million for the three months ended March 31, 2023.

Net margin was 5.5% for the three months ended March 31, 2024 compared to 1.7% for the three months ended March 31, 2023.

Such a performance was mainly driven by revenues and costs trends as commented above.

Finance Income and similar

Finance income and similar amounted to €1.3 million for the three months ended March 31, 2024, an increase of €1.1 million, more the five times, compared to €0.2 million for the three months ended March 31, 2023. As a percentage of Total revenues and income, Finance income and similar amounted to 1.2% for the three months ended March 31, 2024 and to 0.2% for the three months ended March 31, 2023. The significant increase is due the updating of bank current accounts remuneration rates negotiated starting from the second half of 2023.

Finance expenses and similar

Finance expenses and similar amounted to €25.4 million for the three months ended March 31, 2024, an increase of €3.8 million, or 23.7%, compared to €21.6 million for the three months ended March 31, 2023. As a percentage of Total revenues and income, Finance expenses and similar amounted to 23.7% for the three months ended March 31, 2024 and 2022 and to 18.3% for the three months ended March 31, 2023. Finance expenses and similar are for about 51% referred to related parties (in particular Enel X S.r.l. and Isybank S.p.A., mainly in connection with the deferred payments agreements subscribed by the Company at the end of 2019 and during the first three quarters 2022) and for the residual to third parties (mainly represented by the senior secured notes holders). The increase in the period compared to the first three months 2023 is driven by the higher stock of shareholder loans and by the increase in the interest rates related to the secured notes and to the revolving facilities due to Euribor rates trend (which raised up in average of 130/150 bps in the first three months 2024 compared to the same period of 2023); the Company is constantly monitoring the financial markets but so far no hedging operation has been considered appropriate, also taken into consideration the reduction of the reference rates expected starting from the second half of the current year.

Income taxes

Income taxes amounted to €-3.6 million for the three months ended March 31, 2024, in line with related taxable income of the Group and mainly driven by loss before income tax of the Parent Company.

Liquidity and Working capital

The following table sets forth our changes in working capital for the periods indicated:

Movements in working capital are generally connected to timing of cash collections and business turnover trends. The

higher cash absorbed in the first three months 2024 compared to the performance of the first three months 2023 is mainly related to the cash absorbed by movements in trade working capital, impacted by different calendar and volumes on the relevant cut off dates. The overall movements in trade working capital in the three months 2024 are in particular driven by higher reversal effect of year end 2023 generated working capital (amounting to approx. €20.0 million), that reflects the usual seasonality of the Group net working capital trend.

(€ in millions)	Three months ended March 31,	
	2023	2024
Movements in trade receivables	22.9	(0.6)
Movements in inventories	2.5	3.2
Movements in trade payables	(44.7)	(28.4)
Movements in trade working capital	(19.4)	(25.8)
Movements in other assets and liabilities	3.8	3.5
Total movements in working capital	(15.6)	(22.3)

Cash flows

The following table sets forth a summary of the Group cash flow statement for the periods indicated:

(€ in millions)	Three months ended March 31,	
	2023	2024
Cash provided by operations before changes in working capital, interest and taxes	22.1	24.3
Tax paid	-	(0.0)
Changes in working capital	(15.6)	(22.3)
Cash flows provided by (used in) operating activities	6.5	2.0
Cash flows provided by (used in) investing activities	(10.4)	(13.0)
Cash flows provided by (used in) financing activities	1.8	(8.3)
Increase/(Decrease) in cash and cash equivalents	(2.2)	(19.3)
Net cash at the beginning of the period	88.8	76.1
Net cash at the end of the period	86.7	56.8

Cash provided by operating activities amounted to €2.0 million for the three months ended March 31, 2024, compared to Cash provided by operating activities amounting to €6.5 million for the three months ended March 31, 2023. The movement is mainly driven by the trend in the changes in working capital as above commented as well as by cash provided by operations before changes in working capital, interest and taxes that was up approx. €2.2 million.

Cash flows used in investing activities amounted to €13.0 million for the three months ended March 31, 2024, compared to €10.4 million for the three months ended March 31, 2023, mainly driven by investments in intangible assets.

Cash flows used in financing activities amounted to €8.3 million for the three months ended March 31, 2024, compared to Cash flows provided by financing activities of €1.8 million for the three months ended March 31, 2023. The cash flows related to financing activities for both the three months ended March 31, 2024 and March 31, 2023 included net interest and related expenses payments for respectively €12.2 million and €9.0 million. In addition, 2023 cash flows include net usage of revolving facilities for €5.4 million, compared to net usage of revolving facilities for approx. €12.4 million for the three months ended March 31, 2023. In the three months ended March 31, 2024 are also reflected repayments for about €1.4 million of financial liabilities accounted for in application of the accounting standard IFRS 16, compared to €1.5 million repayments reported in the same period of 2023.

Capital Resources

The following table sets forth the amounts of our external debt (principal amounts plus accrued interest for the reference period) at December 31, 2023 and March 31, 2024. Subordinated shareholders loans are not included:

(€ in millions)	As of December 31,	As of March 31,
	2023	2024
Senior revolving Facility	73.0	78.0
Senior Secured notes	531.7	530.8
Other financial liabilities	23.5	23.1
Total external financial liabilities	628.1	632.0

Other Financial Information

(€ in millions)	Three months ended March 31,	
	2023	2024
EBITDA ⁽¹⁾	21.6	23.7
Non recurring items	2.5	0.5
Adjusted EBITDA ⁽²⁾	24.2	24.2
Adjusted EBITDA margin ⁽³⁾	20.5%	22.6%

- (1) We define EBITDA as profit (or loss) for the period plus net finance expenses and similar, income taxes, depreciation, amortization and impairments, provisions and impairments of receivables. EBITDA is a non-IFRS measure. The following table sets forth a reconciliation between the profit for the period and the EBITDA.
- (2) We define Adjusted EBITDA as EBITDA adjusted for the effect of non-recurring items and provisions related to disputes with regulatory bodies.
- (3) We define Adjusted EBITDA margin as Adjusted EBITDA divided by total revenues and income.

(€ in millions)	Three months ended March 31,	
	2023	2024
Profit/(loss) for the period	(15.3)	(14.5)
Net finance expense and similar	21.4	24.1
Income taxes	(4.2)	(3.6)
Amortisation, depreciation, provisions and impairments	16.9	15.8
Impairment of receivables	2.8	2.0
EBITDA	21.6	23.7

(€ in millions)	As of December 31,	As of March 31,
	2023	2024
Unrestricted cash ⁽⁴⁾	76.1	56.8
MOONEY GROUP net senior secured debt ⁽⁵⁾	528.6	552.1

- (4) Unrestricted cash represents cash and cash equivalents that do not include restricted cash relating to bank accounts managed by the Group but for which the cash is restricted to the payment of partners and customers according to PSD2 regulation.
- (5) Mooney Group Group net senior secured debt consist of the amount due under the Senior Secured Facilities and the senior secured notes, less unrestricted cash. Net senior secured debt does not include debt under finance leases, and other sundry financial.

MOONEY GROUP S.P.A.
CONDENSED CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND MARCH 31, 2023

		For the Three months ended March 31,	
(in Euro thousands)	Notes	2024	2023
Revenues	8	106,350	117,353
of which related parties		1,637	2,602
Other revenues and income		762	681
of which related parties		0	0
Total revenues and income		107,112	118,034
Purchases of materials, consumables and merchandise		1,041	1,045
Costs for services		69,067	83,452
of which related parties	17	539	554
Lease and rent expenses		405	520
Personnel costs		10,928	9,216
of which related parties	17	1,433	1,366
Other operating costs		1,703	2,080
Amortization, depreciation, provisions and impairment losses and reversals		18,039	19,708
Net operating profit (EBIT)		5,929	2,013
Finance income and similar		1,321	168
of which related parties	17	1,086	22
Finance expenses and similar	9	25,375	21,633
of which related parties	17	12,785	11,820
Profit (loss) before income taxes		(18,125)	(19,452)
Income taxes		(3,657)	(4,183)
Profit (loss) for the period		(14,468)	(15,269)
Attributable to non-controlling interest		(265)	7
Attributable to owner of the parent		(14,203)	(15,276)
Other comprehensive income:		0	0
Other comprehensive income that will not be subsequently reclassified to the income statement :			
Remeasurement of defined benefit plans		0	0
Tax effect		0	0
Total comprehensive profit (loss) for the period		(14,468)	(15,269)
Attributable to non-controlling interest		(265)	7
Attributable to owner of the parent		(14,203)	(15,276)

MOONEY GROUP S.P.A. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT MARCH 31, 2024 AND DECEMBER 31, 2023

<i>(in Euro thousands)</i>	<i>Notes</i>	<i>At March 31, 2024</i>	<i>At December 31, 2023</i>
A) NON-CURRENT ASSETS			
Property, Plant and Equipment	10	38,017	41,339
Goodwill	11	653,156	653,156
Intangible assets	10	175,301	174,066
Investments accounted for using the equity method		0	0
Deferred tax assets		26,855	22,003
Other non-current assets		3,160	2,746
Total non-current assets		896,490	893,310
B) CURRENT ASSETS			
Inventories		3,646	6,870
Trade receivables		126,940	128,271
<i>of which related parties</i>	17	3,217	3,346
Current financial assets		851	0
<i>of which related parties</i>	17	726	0
Taxes receivable		95	182
Restricted bank deposits	12	251,824	264,656
<i>of which related parties</i>		228,916	242,055
Cash and cash equivalents	13	56,762	76,062
<i>of which related parties</i>	17	46,832	60,052
Other current assets		14,472	11,195
Total current assets		454,590	487,236
TOTAL ASSETS		1,351,080	1,380,546
A) EQUITY			
Share capital	14	10,050	10,050
Share premium reserve		77,485	77,485
Other reserves		(443,311)	(423,604)
Profit (Loss) for the year		(14,203)	(69,707)
Total equity attributable to owners of the Parent		(369,979)	(405,776)
Equity attributable to non-controlling interests		2,927	3,192
Total equity		(367,052)	(402,584)
B) NON-CURRENT LIABILITIES			
Long-term debt	15	1,086,993	1,124,828
<i>of which related parties</i>		551,318	589,065
Provision for employee severance indemnities		8,139	7,997
Deferred tax liabilities		0	0
Provisions for risks and charges	16	1,834	971
Other non-current liabilities		249	328
Total non-current liabilities		1,097,215	1,134,124
C) CURRENT LIABILITIES			
Trade and other payables		254,569	290,219
<i>of which related parties</i>	17	14,034	21,526
Short-term debt	15	78,777	73,271
<i>of which related parties</i>		25,107	23,388
Current portion of long-term debt	15	7,737	7,668
<i>of which related parties</i>		132	131
Taxation payable		2,667	1,843
Other current liabilities		277,168	276,005
<i>of which related parties</i>	17	1,127	805
Total current liabilities		620,917	649,006
TOTAL LIABILITIES AND EQUITY		1,351,080	1,380,546

MOONEY GROUP S.P.A. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND MARCH 31, 2023

<i>(In Euro thousands)</i>	For the three months ended March 31,	
	2024	2023
Profit (loss) for the period before income taxes	(18,125)	(19,452)
Amortization and depreciation	15,788	16,949
Impairment of current receivables	1,979	2,756
Provisions for risks and charges, accruals and employee severance indemnities	604	375
Finance (income) expenses	24,054	21,465
Net cash generated from operating activities before changes in working capital, interest and taxes	24,300	22,093
Changes in trade receivables	(649)	22,853
Changes in inventories	3,224	2,450
Changes in trade payables	(28,388)	(44,696)
Change in other assets and liabilities	3,527	3,791
Taxes (paid)/reimbursed	(23)	0
Net cash generated from operating activities	1,991	6,491
Increase in property, plant and equipment	(98)	(1,674)
Increase in intangible assets	(12,913)	(8,734)
(Increase) decrease in other non-current assets	0	0
Net cash used in investing activities	(13,011)	(10,408)
decrease in medium-/long-term debt	(124)	(141)
decrease in lease payables	(1,388)	(1,510)
Increase (decrease) in short-term debt	5,419	12,364
Net interest paid	(12,187)	(8,951)
Net cash used in financing activities	(8,280)	1,762
Net change in cash and cash equivalents	(19,300)	(2,155)
Net cash at the beginning of the period	76,062	88,833
Net cash at the end of the period	56,762	86,678

MOONEY GROUP S.P.A.
CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE THREE MONTHS ENDED MARCH 31, 2024 AND MARCH 31, 2023

<i>(in Euro thousands)</i>	Share capital	Legal reserve	Share premium reserve	Other reserves	Profit (Loss) for the year	Total equity attributable to Owners of the parent	Non-controlling interests	Total equity
Equity at December 31, 2022	10,050	0	77,485	(369,867)	(53,216)	(335,548)	3,185	(332,364)
Prior year result				(53,216)	53,216	0	0	0
Profit/(loss) for the period					(15,276)	(15,276)	7	(15,269)
Total comprehensive profit (loss) for the period	0	0	0	(53,216)	37,940	(15,276)	7	(15,269)
Dividends paid	0	0	0	0	0	0	0	0
Other movements	0	0	0	0	0	0	0	0
Transactions with shareholders	0	0	0	0	0	0	0	0
Equity at March 31, 2023	10,050	0	77,485	(423,083)	(15,276)	(350,824)	3,192	(347,633)
Equity at December 31, 2023	10,050	0	77,485	(423,604)	(69,707)	(405,776)	3,192	(402,584)
Prior year result				(69,707)	69,707	0	0	0
Profit/(loss) for the period					(14,203)	(14,203)	(265)	(14,468)
Total comprehensive profit (loss) for the period	0	0	0	(69,707)	55,504	(14,203)	(265)	(14,468)
Dividends paid	0	0	0	0	0	0	0	0
Other movements	0	0	0	50,000	0	50,000	0	50,000
Transactions with shareholders	0	0	0	50,000	0	50,000	0	50,000
Equity at March 31, 2024	10,050	0	77,485	(443,311)	(14,203)	(369,980)	2,927	(367,052)

MOONEY GROUP S.P.A.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT AND FOR THE THREE MONTHS
ENDED MARCH 31, 2024

1. General information

Mooney Group S.p.A. (hereafter the “**Company**”) is a company incorporated in Italy, with registered and administrative offices in Milan, in Via Privata Nino Bonnet 6/A, organized under the laws of the Republic of Italy.

The Company and its subsidiaries (together the “**Group**”) operate principally in the collection and payment services sector, by specific authorization of the Bank of Italy, and in the marketing of telephone and TV content top-ups, with the support of a wide distribution network, but also leveraging a fast growing online channel.

The shareholders of the Company are as of March 31, 2024 Enel X S.p.A. and Isybank S.p.A. (former Banca 5 S.p.A), both owing 50% of the capital stock of the Company.

2. Basis of preparation

Background

During 2019, an important and strategic agreement was signed between Sisal Group and Banca 5 S.p.A., a bank of Intesa Sanpaolo Group, to create, through a partnership, a leading group in the payment services sector distributed on the digital channel and in proximity channels in Italy.

To this end, a complex corporate reorganization has been undertaken within the Sisal Group to separate the activities related to payment services, to be carried out with Banca 5 as a minority shareholder, from the activities related to the Gaming sector, wholly owned by the Sisal Group.

As a consequence of this reorganization, starting from December 2019, all the activities referred to payment services are therefore under the management of the Company which wholly controls Mooney Servizi S.p.A. and Mooney S.p.A. (the latter is an electronic money institution subject to Bank of Italy supervision). The company names based on the word Mooney, an evocative neologism in line with the new values, strategy and positioning of the Group, were adopted by the Parent Company (former SisalPay Group S.p.A.) and by its subsidiaries in April 2022, as the last step of the so-called “rebranding”, which culminated in the month of November 2020 with the launch of the new commercial brand Mooney.

Criteria applied for the Special Purpose Financial Statements preparation

The notes to the Condensed Consolidated Interim Financial Statements have been prepared following IAS 34, ‘Interim financial reporting’ which governs interim financial reporting. IAS 34 permits a significantly lower amount of information to be included in interim financial statements from what is required for annual financial statements by International Financial Reporting Standards issued by the International Accounting Standards Board and approved by the European Union (hereafter “**IFRS**”), given that the entity has prepared its financial statements compliant with IFRS for the previous financial year. The Condensed Consolidated Interim Financial Statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2023 (the “**Annual Consolidated Financial Statements**”).

The Condensed Consolidated Interim Financial Statements include the condensed consolidated statement of

comprehensive income, the condensed consolidated statement of financial position, the condensed consolidated statement of cash flows, the condensed consolidated statement of changes in equity and the illustrative notes.

These Condensed Consolidated Interim Financial Statements has been approved by the Board of Directors of Mooney Group S.p.A. on May 29, 2024.

3. Going concern

Net loss for the three months ended March 31, 2024 amounted to Euro 14,468 thousand (Euro 15,269 thousand for the three months ended March 31, 2023); at March 31, 2024 the consolidated equity was negative for Euro 136,576 thousand (Euro 402,584 thousand at December 31, 2023) and net working capital at March 31, 2024 was negative for Euro 135,090 thousand (Euro 156,893 thousand at December 31, 2023).

The Net loss for the period is mainly related to charges related to the financial structure of the Group for total Euro 25,375 thousand, while consolidated EBIT was positive for Euro 5,929 thousand (Euro 2,013 thousand for the three months ended March 31, 2023).

With reference to the debt structure following the corporate reorganization, which resulted in the contribution to the Group of the service businesses of the Sisal Group and Banca 5 S.p.A., the table below illustrates the Group structure of capital resources and debt to first parties at March 31, 2024 and at December 31, 2023:

<i>(In Euro thousands)</i> <i>(Percentage computed on total debt and equity)</i>				
	At March 31, 2024	%	At December 31, 2023	%
Long term debt	535,897		536,017	
Short-term debt and current portion of long-term debt	86,513		80,939	
Funding from third parties	622,411	77.2%	616,956	76.8%
Shareholder Loan	551,096		588,811	
Funding from shareholders	551,096	68.3%	588,811	73.3%
Equity	(367,052)	-45.5%	(402,584)	-50.1%
Total debt and equity	806,454	100.0%	803,183	100.0%

As at March 31, 2024 the Short-term debt includes the drawdown of the Super Senior Revolving Facility for Euro 78,000 thousand, increased for Euro 5,000 thousand compared to the draw down at the end of December 2023.

It is noted that Loans from related parties amounting to around Euro 551.1 million are related to loans from both the two shareholders (owing the same amount), arising for Euro 388.0 million from the acquisition by the Company of the investments held by the two original shareholders in Mooney S.p.A (former SisalPay S.p.A) and in Mooney Servizi S.p.A. (former SisalPay Servizi S.p.A.) following the contribution of business segments to the latters, for Euro 25.8 million following the transfer at the end of April 2022 of a further business branch relating to payment services by the shareholder Isybank S.p.A, and for Euro 151.5 million following the purchase of the 100% of the equity of several companies previously controlled by the new shareholder Enel X S.r.l.. Starting from July 25, 2023 it was agreed between the involved parties that all the Deferred Purchase Price notes in place will accrue annual interest at a rate of 8.5% while at the end of February 2024 both the two shareholders formalized the partial waiver of their respective loans to the Company for Euro 25 million each and the pledge, if necessary, to re-capitalize it in 2024 for a further maximum of Euro

25 million each, demonstrating their closeness also from the point of view of asset-based and financial support.

The macroeconomic scenario for the current year, reflected in the 2024 Budget recently prepared by the Group, shows positive signs driven by the following factors: the implementation of the National Recovery and Resilience Plan that will support the growth of the country; the expansion of consumption supported by a gradual reduction in inflation to around 2%; the prospect of lower interest rates.

Specifically, the Proximity and Digital market in which the Group operates is characterized by a positive outlook supported by a reduction in the traditional channel and the phenomenon of the desertification of bank branches.

This will contribute to a growth in Payment and banking services that will accompany the continuous development of the prepaid debit card business and of the initiatives undertaken in the Digital channel.

As far as the Mobility market is concerned, expectations are for further growth in transacted volumes (+5% compared to 2023 figures). Within this sector, the growth scenario of the urban mobility and toll segments, of 2% and 3%, respectively, is driven by an expansion of ticketing services and the development of the online channel.

On the basis of these assessments and ongoing developments and also with particular reference to the current and expected profitability of the Group, the Directors believe that there is the reasonable expectation that the Group will continue its operating activities in the foreseeable future and will be able to meet its financial commitments, and in any case for a period of time beyond twelve months, and has therefore prepared these Condensed Consolidated Interim Financial Statements on a going concern basis.

4. Accounting policies

The accounting policies adopted are consistent with those that applied to the Annual Consolidated Financial Statements. The following accounting standard applicable since January 2024 and adopted for the first time.

Accounting Standards, Amendments and Interpretations applicable and adopted for the first time

Since January 2024, the following accounting standards, amendments and interpretations have been endorsed by the European Union and adopted by the Group:

- Amendments to IFRS 16 Lease Liability in a Sale and Leaseback;
- Amendments to IAS 1 Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants;
- Amendments to IAS 7 and IFRS 7 on Supplier Finance Arrangements;
- IFRS S1 – General Requirements for Disclosure of Sustainability-related Financial Information;
- IFRS S2 – Climate – related Disclosures;

No relevant impacts have been identified so far from the application of these standards and amendments.

Accounting standards, amendments and interpretations issued by the IASB but not yet endorsed by the European Union or not yet effective

At the date and preparation of these interim financial statements, the following standards and interpretations issued

by the IAS were not yet endorsed by the European Union or endorsed but not yet effective:

- Amendments to IAS 21 – Lack of Exchangeability;
- Amendments to IFRS19 – Subsidiaries without Public Accountability;
- Amendments to IFRS18 – Presentation and Disclosure in Financial Statements;
- Amendments to IFRS10 and IAS28 - Sale or Contribution of Assets between an Investor and its Associate or Joint Venture.

Any impacts from the application of the standard is currently being assessed.

5. Estimates

The preparation of Condensed Consolidated Interim Financial Statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates. In preparing these Condensed Consolidated Interim Financial Statements, the significant judgements made in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the Annual Consolidated Financial Statements.

6. Financial risk management

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange rate, interest rate and bookmaker risk), liquidity risk and credit risk and capital risk.

The Condensed Consolidated Interim Financial Statements do not include all financial risk management information and disclosures required for financial statements prepared according to IFRS. They should be read in conjunction with the Annual Consolidated Financial Statements, which include the full financial risk management disclosure.

Liquidity risk

At March 31, 2024, the Group has a revolving line of credit under the Super Senior Revolving Facility and related ancillary facility Agreements for a total of Euro 92.5 million, expiring in March 2026. At March 31, 2024, these facilities were partially drawn down for Euro 78.0 million as cash utilization.

Fair value estimation

Financial instruments carried at fair value are reported by valuation method. The different valuation levels are defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

Both at March 31, 2024 and December 31, 2023 the Group reported no outstanding assets and liabilities measured at fair value.

7. Seasonality of operations

The operations of the Group are not affected by specific/material seasonality trends, even if some peaks in transactions are normally observed in several periods of the year (i.e. January and February for car taxes payments, September for mobility and media subscriptions payments, the year end for general payments and telco top ups).

8. Revenues

The following table sets forth an analysis of Revenues:

<i>(in Euro thousands)</i>	2024	2023
Payments and other services	88,535	97,481
Merchant services and others	18,577	20,553
Total	107,112	118,034

The Payments and other services revenues are analyzed as follows:

For the three months ended March 31,		
<i>(in Euro thousands)</i>	2024	2023
Payments & Banking revenues	71,436	85,458
Prepaid cards revenues	11,347	8,410
Mobility revenues	5,752	3,613
Total	88,535	97,481

9. Finance expense and similar

The following table sets forth an analysis of Finance expense and similar:

For the three months ended March 31,		
<i>(in thousands of Euros)</i>	2024	2023
Interest and other finance expenses - related parties	12,785	11,820
Interest and other finance expenses - third parties	12,590	9,813
Total	25,375	21,633

10. Property, plant and equipment and other intangibles assets

The composition and movements of property, plant and equipment are as follows:

<i>(in Euro thousands)</i>	PPE	Other intangible assets
three months March 31, 2024		
Opening net book amount as at January 1, 2023	41,339	174,066
Increases	789	12,913
Depreciation, amortisation and impairment	(4,111)	(11,677)
Closing net book amount as at March 31, 2024	38,017	175,301

11. Goodwill

<i>(in thousands of Euros)</i>	At March 31, 2024	At December 31, 2023
At the beginning of the period	653,156	679,917
PPA 2022 acquisition impact	0	(26,761)
At the end of the period	653,156	653,156

12. Restricted bank deposits

Restricted bank deposits mainly include the balances of restricted cash deposits deriving from funds received from customers in compliance with the directive known as PSD2, as part of the services rendered by Mooney S.p.A. as an EMI.

13. Cash and cash equivalents

Cash and cash equivalents at March 31, 2024 and December 31, 2023 are as follows:

<i>(in Euro thousands)</i>	At March 31, 2024	At December 31, 2023
Bank and postal accounts	56,758	76,057
Cash and cash equivalents in hand	4	5
Total	56,762	76,062

14. Share capital and reserves

At March 31, 2024 share capital amounts to Euros 10,050,000, it is fully paid in and consists of 50,000,000 ordinary shares. This share capital is referred to the parent company, Mooney Group S.p.A., and it is unchanged compared to December 31, 2023.

15. Borrowings and loans

The following table sets forth an analysis of Borrowings and loans:

<i>(in Euro thousands)</i>	At March 31, 2024	At December 31, 2023
Senior Revolving and ancillary facilities	77,175	72,088
Senior Secured Notes	522,093	521,326
Loans from shareholders	551,096	588,811
Loans from other banks	3,057	2,762
Payable to other lenders - leasing contracts	20,085	20,781
Other loans from third parties	23,142	23,543
Total	1,173,506	1,205,768
<i>of which current</i>	<i>86,513</i>	<i>80,940</i>
<i>of which non-current</i>	<i>1,086,993</i>	<i>1,124,828</i>

Movements in borrowings are analyzed as follows:

<i>(in Euro thousands)</i>	Three months ended March 31,	
	2024	2023
Opening amount as at January 1	1,205,768	1,146,662
Acquisition of subsidiary	0	0
New borrowings	5,419	12,364
Change in IFRS 16 net financial liability	(696)	(1,317)
Net accrued interest and amortized	13,139	12,491
Repayments of borrowings	124	141
SHL renouncement	50,000	0
Closing amount as at March 31	1,173,506	1,170,059

At March 31, 2024, the market price of the senior secured notes was a total of Euro 530.2 million substantially in line with the face value.

16. Provisions for risks and charges

The movements (net increase) in the provisions for risks and charges in the first three months 2024 are mainly related to an ongoing tax claim with the revenue agency relating to the disputed use of a tax credit; the related provision is mostly compensated by a credit for compensation towards the former majority shareholder of the affected company belonging to the Mobility business segment, reported in non-current assets.

17. Related party transactions

Amongst related parties, we note the existing relationships with the two direct shareholders and also with some entities part of the new shareholders Group.

With regard to financial transactions, we already commented the debt related to the deferred purchase price agreements signed at the end of 2019 and more recently in Q2 and Q3 2022; in addition, at March 31, 2024 it is noted the trade receivables for about Euro 3.2 million, related to the fees matured by Mooney in particular on withdrawal and bank transfer services offered to Intesa Sanpaolo customers.

Moreover it is noted that some restricted and available cash is deposited with both Isybank S.p.A. and Intesa Sanpaolo S.p.A. for total Euro 275.7 million and that Euro 25.1 million short term financing are mainly related to commitments by Intesa Sanpaolo S.p.A. referred to the Super Senior Revolving Facility.

Related party revenues, amounting to Euro 1.6 million for the three months ended March 31, 2024, are mainly related to payments services income originating from agreements with both the two shareholders groups.

Related party costs for services, amounting in total to Euro 0.5 thousand in the three months ended March 31, 2024, are mainly related to compensation for executives who are also Company directors and other related parties; salaries and employees severance indemnities of key management charged with strategic responsibilities, amounting to Euro 1,433 thousand in the three months ended March 31, 2024, are reported under Personnel costs.

18. Significant non-recurring events and transactions

During the three months ended March 31, 2024, the Group recognized about €0.5 million net non-recurring

expenses/extraordinary items, significantly lower than €2.5 million reported in the three months ended March 31, 2023.

19. Commitments

The Condensed Consolidated Interim Financial Statements include capital expenditure commitments for approximately Euro 0.9 million; such capital expenditure will be financed with cash on bank balance and net cash generated from operating activities.

20. Significant events occurring after the end of period

Based on the findings of the audit initiated at Mooney S.p.A. in October 2023, on April 15, 2024 the Bank of Italy issued an order prohibiting such company from issuing new payment cards and opening the related e-money and payment accounts until the completion of the process, already commenced, aimed at addressing the identified Anti Money Laundering (AML) deficiencies.

The findings will have no impact on the cards already issued and in use or on any other Mooney services, which will continue to be regularly offered. Mooney will also be able to continue to open new payment accounts for its distribution network, which are functional for the provision of payment services.

It's worth mentioning that, following the important process of managerial changes started in the second half of 2023, the Group had already adopted a solid and articulated plan to strengthen its AML processes, the adoption of which the Authority has also acknowledged.

Mooney will complete this plan with determination together with any further necessary measures and will continue to fully cooperate with the Authority.

The Bank of Italy has also notified the commencement of sanction proceedings against Mooney S.p.A. which will defend its position within the terms and in the manner provided for by applicable law and regulations.

Following the proceedings initiated in July 2023 for alleged unfair commercial practices related to the Card product, the Italian Competition Authority (*Autorità Garante della Concorrenza e del Mercato*) published on May 29, 2024 a decision imposing administrative fines of Euro 2.52 million jointly and severally on Mooney S.p.A. and Mooney Group S.p.A. for alleged unfair commercial practices. The companies reserve the right to assess the arguments on which the decision is based and to challenge it before the Regional Administrative Court (*TAR*) of Lazio.