

Mooney 2020 FY Results

Ended December 31st, 2020

April 28th 2020

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Speakers



Emilio Petrone
CEO



Marco Davide Festari
CFO

Mooney

2020 FY Results

Introduction – Change of Company Name and Registered Office Address

› Mooney Group S.p.A. (formerly SisalPay Group S.p.A.) hereby informs that:

- I. On March 29th 2021 the Boards of Directors of SisalPay Group S.p.A., resolved to change the address of the registered office from via Alessio di Tocqueville, 13, Milan to via Privata Nino Bonnet 6/A, Milan, such amendment became effective on April 16th 2021
- II. On March 29th 2021, the Extraordinary Shareholders' Meetings of SisalPay Group S.p.A., resolved to change the name of the company to Mooney Group S.p.A. such amendment became effective on April 12th 2021.

Agenda

01 / Executive Summary

02 / Covid-19 Overview

03 / Key initiatives

04 / Mooney 2020 FY Proforma Financial Results

05 / Q&A

Executive Summary

01

Executive Summary (1/2)

- › Covid-19 epidemic **severely affected Italian economy** (GDP was down 8.9% in 2020 vs. 2019) – and **Consumer Payments market**, which **declined ≈ 17% in 2020 vs. PY**.
Government restrictive measures **caused Mooney footfall reduction mainly on Bars channel** (30% of Mooney network), totally closed during lockdown period
- › We **quickly reacted to the epidemic** by putting in place a **Corporate Social Responsibility plan** to ensure the safety and well-being of our employees, while at the same time supporting our merchant network and the community; we have also **activated a Business Mitigation Plan**, including several initiatives to support volumes

Executive Summary (2/2)

- › Consequently, **Mooney first year has been positive**; key achievements have been:
 - Timely execution of **synergies** and **integration plan**
 - Strong growth of **banking services** business (+58% vs. PY)
 - Distribution expansion of **key products** (Banking Services, Branded Card, etc.)
 - New team **successfully merged and blended** together
 - Launch of **"New Clients Opening Boost Plan"** aimed at offsetting Covid-19 PoS churn
 - **Acquisition of MyCicero** to accelerate digital business growth
 - Successful launch of new **Mooney Card**

- › Thanks to the above activities, we have been able to **offset the negative impact of the pandemic. Company 2020 FY results were in line with 2019** both in terms of **Revenues and EBITDA**, respectively at **€311.9m and €81.8m. Net of Covid-19 impact Company would have grown double-digit: Revenues +11% and EBITDA +17% vs. PY**

› Covid-19 Overview

02

Covid-19 Overview – Impact by quarter

- › **Covid-19 pandemic negatively impacted Mooney business** throughout the year:
 - › **Q1:** from March 12th, first **Government decree forced all coffee shops to close**, consequently 30% of Mooney PoS were forced to close
 - › **Q2:** **full lockdown lasted until May 18th** affecting **most part of Q2 with very restrictive measures** (retail shops closed, prohibition of not-necessary people movements, etc.). **Starting from June**, also thanks to partial retail reopening, we have seen a **partial volumes recovery**
 - › **Q3:** during **summer Mooney had a partial volumes rebound**, thanks to the **actions taken during the first Covid-19 wave**
 - › **Q4:** from **November 6th**, after a worsening in the infections trend, the **Government implemented new restrictive measures**, through which coffee shops were limited in terms of openings and working hours. This had a negative impact on business volumes

Covid-19 Overview – Corporate Social Responsibility Plan

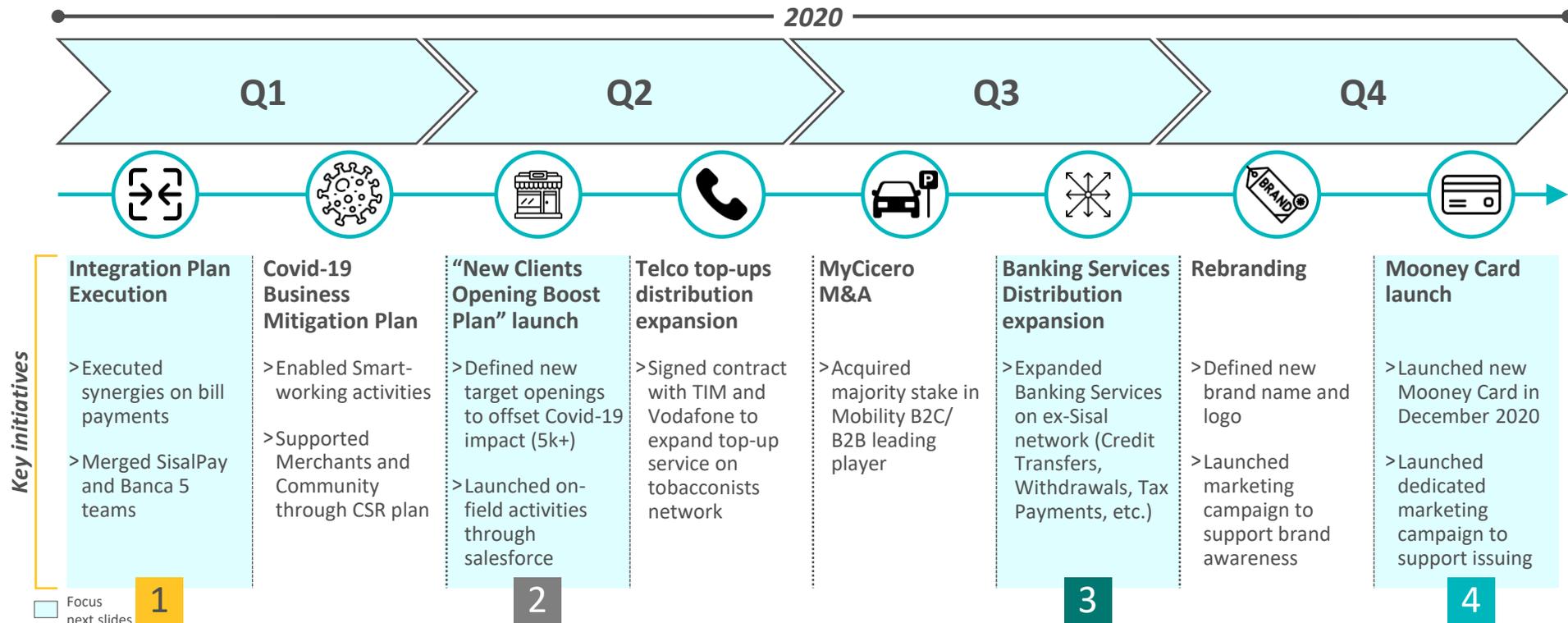
- › Mooney reacted to the epidemic by putting in place a **Corporate Social Responsibility action plan** to ensure the safety and well-being of its employees, while at the same time supporting its network and the community. Adopted measures include the following actions:
 - › **Employees**
 - Signing of a Covid-19 Health Policy for all employees and implementation in the space of a week of the **“100% Smart Working” plan**, a major organizational, logistical and technological effort to ensure personnel safety
 - › **Merchants:**
 - Postponement to H2 of **Merchant Services payments due in March and April** for the entire network and distribution of protective masks to retail PoS, by prioritizing the ones remaining open (tobacconists and newsagents)
 - › **Community:**
 - Fundraising for the Italian Civil Protection (and/or another comparable operator playing an active role in handling the emergency) and **direct donation to a leading non-profit organization – “Francesca Rava Foundation”** – to support Policlinico and Sacco Hospitals in Milan

➤ Key Initiatives

03

Key Initiatives

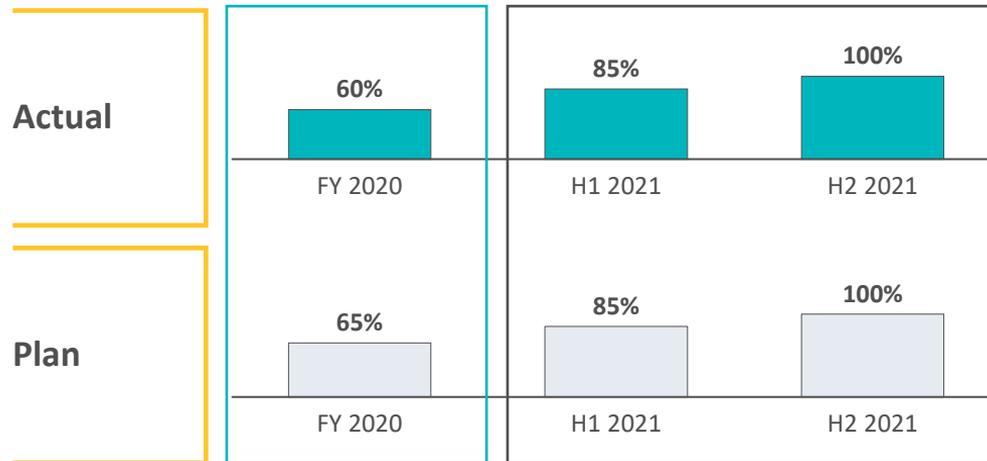
In 2020 we launched several business initiatives to support volumes growth and limit Covid-19 impact



1 Key Initiatives: Integration Plan Execution

We reached 60% of synergies execution despite Covid-19 strong impact – We expect to reach 100% by the end of 2021 as planned

Synergies execution [cumulated %]



Covid-19 second wave heavily impacted our synergies execution plan, that was in line with plan until end of H1

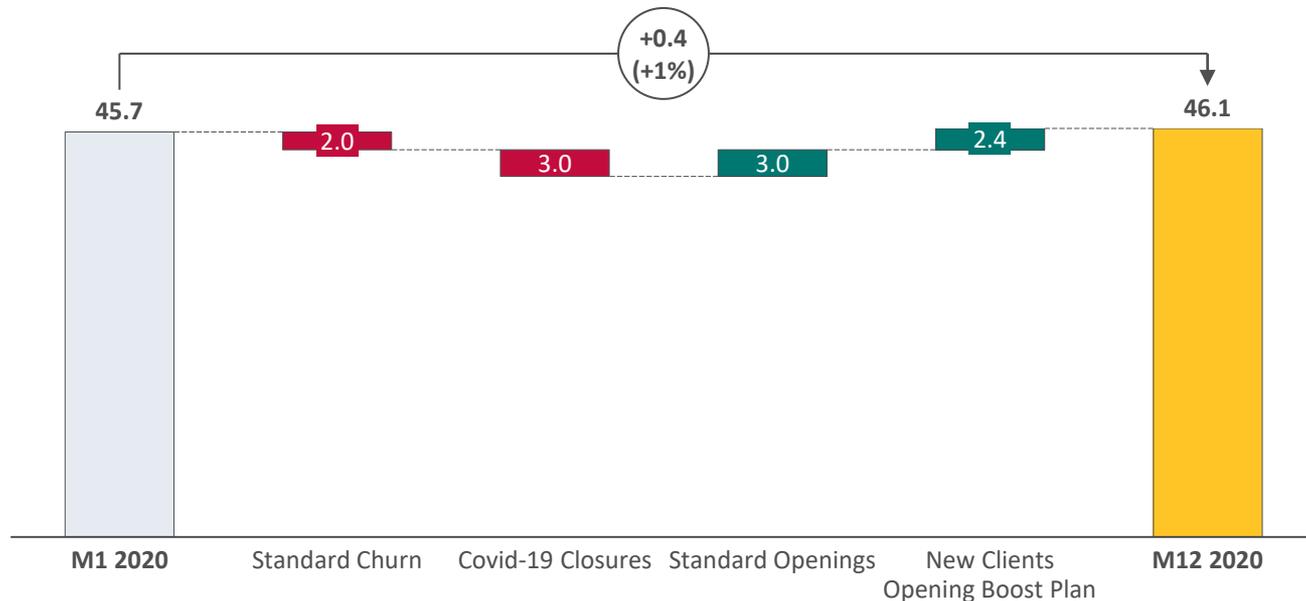
We expect to recover 2020 synergies already in H1 2021 and close the year in line with plan

Integration Plan – Key Projects

- **Bill Payments synergies** – Migration of ex-Banca 5 bill payments to SisalPay direct platform
- **Banking Services distribution expansion** on ex-Sisal network
- **Branded Cards top-up distribution expansion** on ex-Banca 5 network
- Integration of **hardware and software**
- Merchant and **customer database standardization**
- Integration and **streamlining of operations**
- **Suppliers harmonization** and optimization
- Integration of **policies, procedures and central operating systems**

We were able to expand our network in 2020 despite strong Covid-19 impact, thanks to the “New Clients Opening Boost Plan”

Mooney Network Evolution [#k PoS]

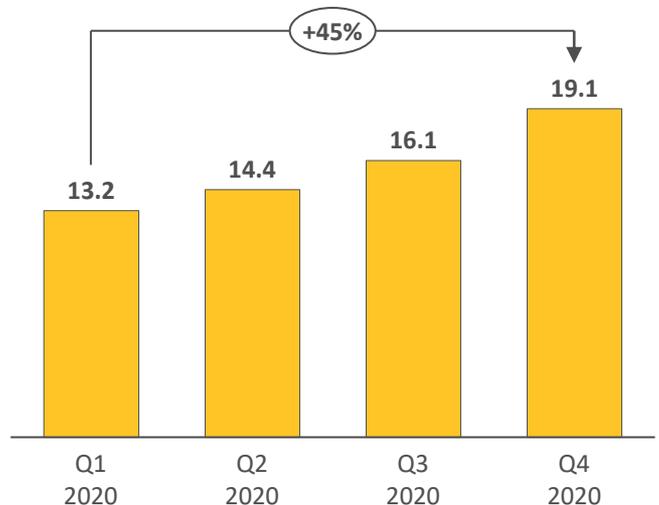


Key Highlights

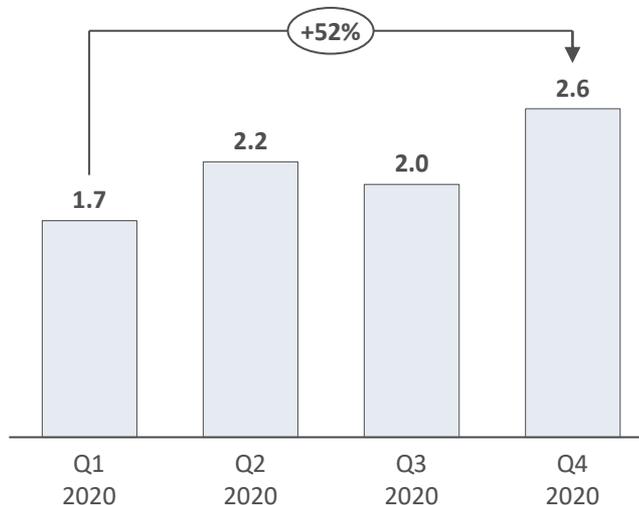
- › Our network standard churn is around 4-5% every year, or ≈ 2k PoS closures
- › Covid-19 outbreak increased closures by ≈ 3k additional PoS in 2020
- › We have accelerated our “New Clients Opening Boost Plan”, which allowed us to open 5.4k PoS, allowing us to grow our network despite Covid-19 outbreak

Banking Services strong growing trend in 2020 was driven by significant distribution expansion and training to merchants

Banking Services Distribution Network [#k PoS]



Banking Services Net Revenues¹⁾ [€m]



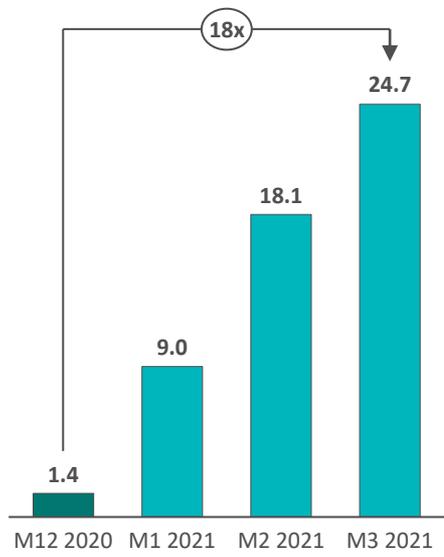
Key Highlights

- ▶ Banking Services revenues grew 52% in Q4 vs. Q1 2020, despite Covid-19 restrictions affecting PoS openings/ working hours
- ▶ These results were achieved also thanks to **strong salesforce activity**:
 - **Enlargement** of Banking Services **distribution to ex-Sisal network starting from Q3 2020**
 - **On-field training** for merchants to **boost Banking Services adoption**

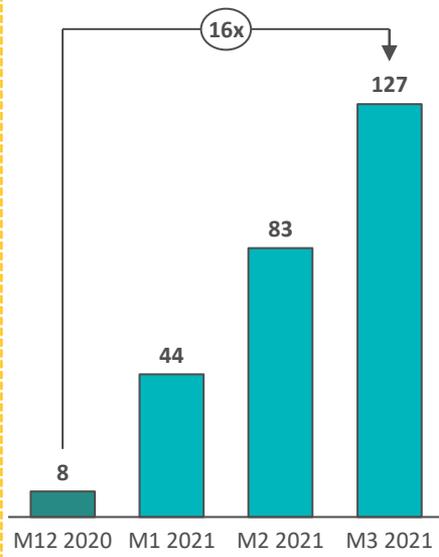
1) Net of Merchant Compensation

We successfully launched our new Mooney Card and we are working to further increase our customer base and distribution

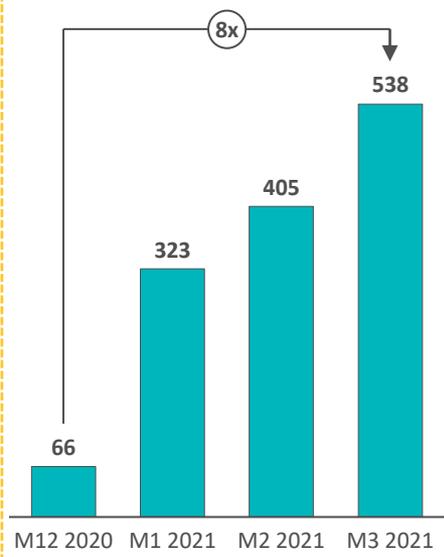
Mooney Card Distribution Network [#k PoS]



Mooney Card Stock [#k]



Mooney Card Net Revenues²⁾ [€k]



Key Highlights

- ▶ The successful launch of **Mooney Card** allowed us to issue almost 130k cards in Q1 2021 since the launch in December 2020
- ▶ These results were achieved also thanks to **strong salesforce activity in expanding Mooney Card distribution network** (reached ≈ 28k selling PoS as of today)
- ▶ In terms of **Revenues** we have been able to **grow 8x vs. M12 2020**, when the product was launched

1) Updated on April 25th 2021; 2) Net of Merchant Compensation

Mooney 2020 FY Proforma Financial Results

04

Mooney 2020 FY Proforma Financial Results – Basis of preparation

- › Considering that the completion of the Gallo Investment occurred in December 2019, the interim condensed consolidated financial statements of the Company as of and for the year ended December 31st, 2020 are not comparable with the corresponding data for the year ended December 31st, 2019. Consequently, in order to provide meaningful information to investors, this document includes:
 - The combined financial information of the Sisal Payments Business and the Banca 5 Payments Business for the year ended December 31st, 2019, derived from the historical financial information included in the consolidated financial statements of Sisal Group S.p.A. and in the financial statements of Banca 5 S.p.A. for the same reporting period, and
 - The consolidated financial information of Mooney Group S.p.A. for the year ended December 31st, 2020, derived from the unaudited interim condensed consolidated financial statements of the Company as of and for the year ended December 31st, 2020
- › It should be noted that the combined financial information has been calculated as the sum, without any changes, of the Sisal Payments Business and the Banca 5 Payments Business. The combined financial information is presented for illustrative purposes only, in order to present economic and financial data for a year ended December 31st, 2019 that could be compared with the data for the year ended December 31st, 2020 and does not purport to represent or to be indicative of the results of operations or financial position as of any future date or results of operations for any future period. In addition, the combined financial information does not represent the actual financial position or results of operations of the Mooney Group for the periods indicated. All information set forth herein is unaudited

Mooney 2020 FY Proforma Financial Results¹⁾

- › **Turnover: €14.1bn**, -2% or -€0.3bn vs. 2019 mainly due to Covid-19 outbreak. Our estimate is that the **epidemic negatively impacted volumes for ≈ €1.5bn**, therefore **Turnover would have grown by ≈ 8%**
- › **Revenues: €311.9m**, in line with 2019;
 - **Telco and Payments** (-9% vs. 2019) have been affected more than other products due to partial network closure, PoS footfall reduction and postponement of some tax payments
 - Strong performance of **Prepaid Cards** (+177% vs. 2019), boosted by Branded Cards volumes
 - Excellent growth of **Banking Services & Other Products** (+68% vs. 2019) mainly thanks to distribution expansion and MyCicero M&A
 - **Merchant Services & Other Revenues** (-4% vs. 2019) due to strong Covid-19 impact and discount on overlapped PoS due to network integration, partially offset by “New Clients Opening Boost Plan” implemented by salesforce
- › **EBITDA²⁾: €81.8 m**, in line with 2019. We estimate that **Covid-19 negatively impacted EBITDA for ≈ €14m**, therefore **EBITDA would have grown by ≈ 17%**
- › **Capex: €31.3m** allowing us to generate **€50.5m of Operating FCF** with a Cash Conversion of over 62%, despite epidemic impact

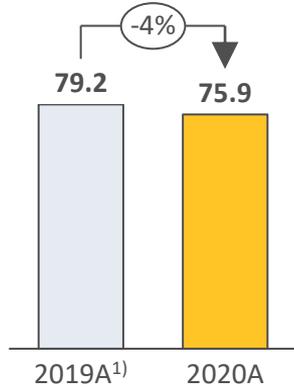
1) In order to have a like-for-like comparison with 2020, data for 2019 are presented pro-forma excluding PostePay volumes;

2) EBITDA adjusted for the effect of extraordinary items, non recurring, other one-off transactions and the depreciation of certain shared assets

Mooney 2020 FY Proforma Financial Results – Revenues

Revenues Q1

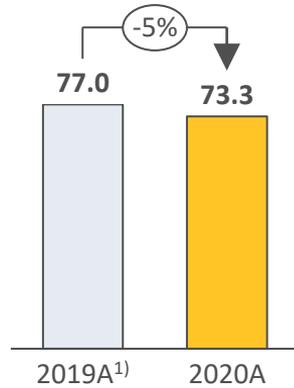
[€m]



- Q1 Revenues affected by Covid-19 first wave (February-March)

Revenues Q2

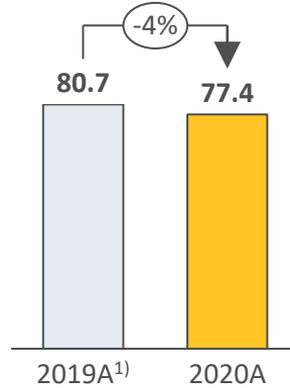
[€m]



- Q2 Revenues performance (-5%) impacted by lockdown measures resulting in network partial closure

Revenues Q3

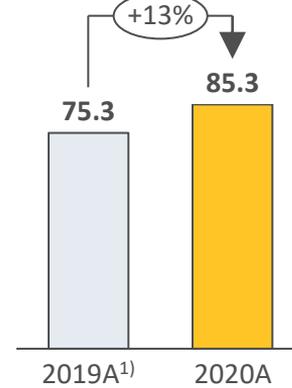
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- Q3 Revenues performance slightly better than Q2 but still impacted by Covid-19 outbreak

Revenues Q4

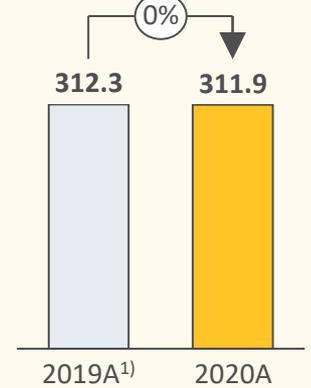
[€m]



- Q4 Revenues growing 13% vs. PY thanks to Banking Services distribution expansion and Branded Prepaid Card strong performance

Revenues FY

[€m]



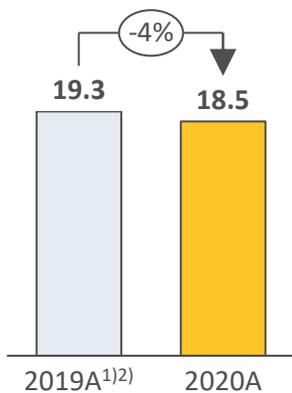
- Revenues €311.9m, in line with 2019

1) Like-for-like excluding Postepay Revenues (€31.3m in 2019 FY)

Mooney 2020 FY Proforma Financial Results – EBITDA

EBITDA Q1

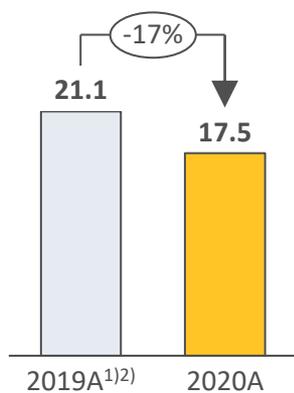
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- Q1 EBITDA affected by Covid-19 first wave (February-March)

EBITDA Q2

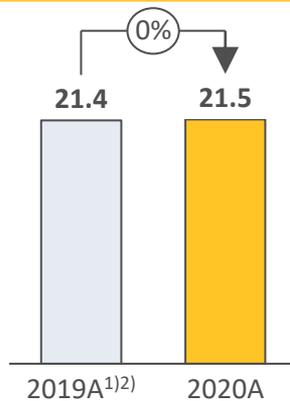
[€m]



- Q2 EBITDA performance (-17%) impacted by lockdown measures resulting in network partial closure

EBITDA Q3

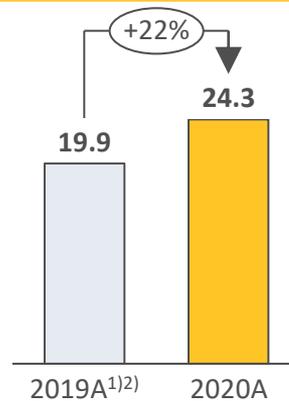
[€m]



- Q3 EBITDA in line with 2019, also thanks to the Business Mitigation Plan implemented during Covid-19 first wave

EBITDA Q4

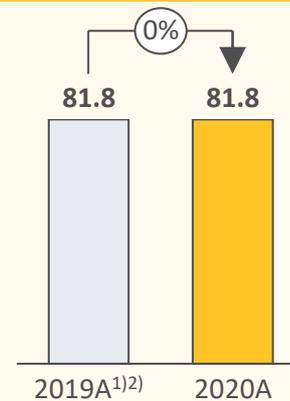
[€m]



- Q4 EBITDA +22% vs. 2019, despite Covid-19 second wave in Italy and restrictive measures adopted by the Government

EBITDA FY

[€m]



- EBITDA €81.8m, in line with 2019
- Adjusted for Covid estimated impact (€13.8m) EBITDA would have grown by 17%

1) EBITDA adjusted for the effect of extraordinary items, non recurring, other one-off transactions and the depreciation of certain shared assets;
2) Like-for-like excluding Postpay EBITDA (€5.0m in 2019 FY) and G&A right-sizing (€5.0m in 2019 FY)

Mooney 2020 FY Proforma Financial Results – Cash Flow

Cash Flow	
[€m]	M12A
EBITDA ¹⁾	81.8
Capex	(31.3)
Operating FCF	50.5
<i>Cash Conversion</i>	62%
Extraordinary Items/ Non-Recurring Costs	(22.3)
Change in Working Capital/ Other Assets & Liabilities	2.3
Unlevered Cash Flow	30.5
Business Contribution Settlement	(56.4)
Cash Interest/ Bond Amortized	(31.3)
RCF Incremental Drawn	56.8
Cash Flow Management	(0.4)
Cash 2019 December 31st	69.5
Cash 2020 December 31st	69.1

Key highlights

› Operating FCF +€50.5m with 62% of Cash conversion:

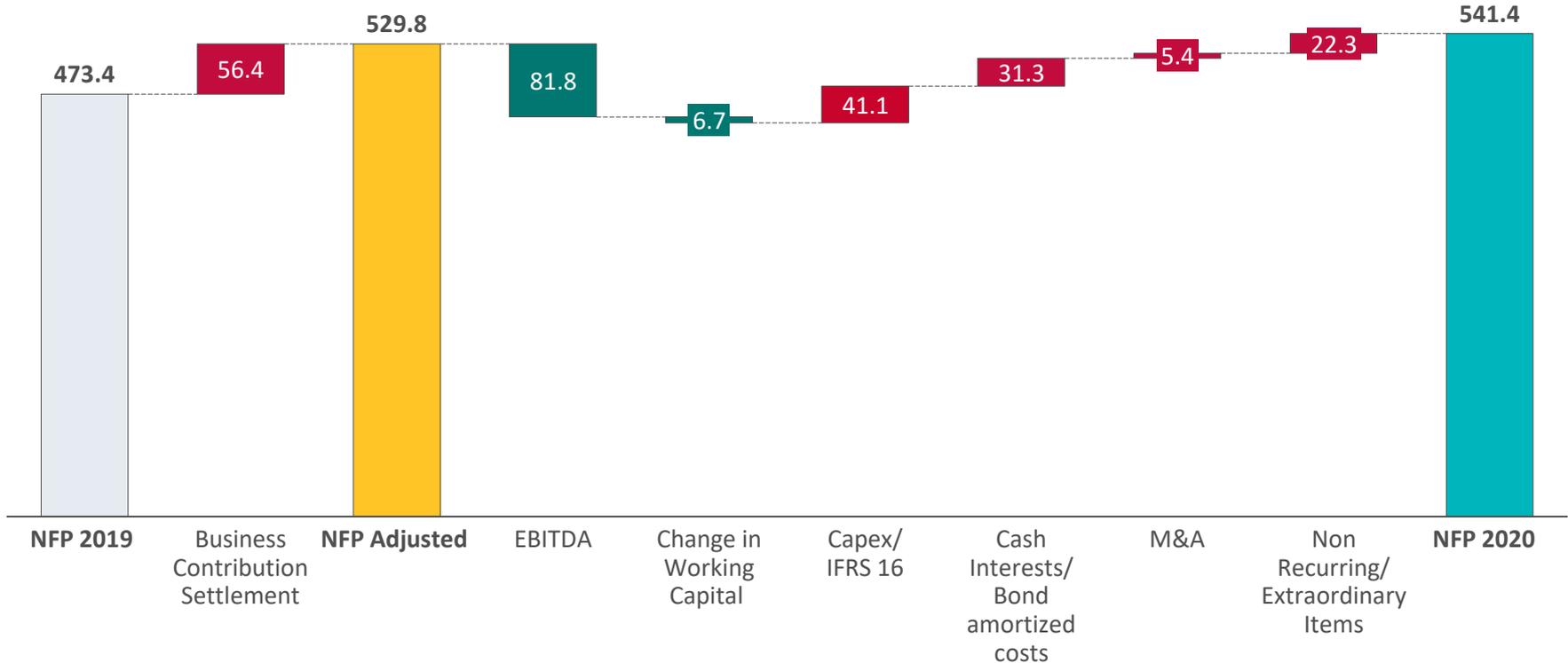
- *Capex related to intangible assets for €25.0m and tangible assets for €6.3m (o/w ≈ €10m one-off Capex)*

› Other Items:

- *Extraordinary Items/ Non-Recurring Costs mainly related to SisalPay/Banca 5 integration, rebranding, Wirecard issue and new prepaid card launch*
- *Change in Working Capital/ Other Assets & Liabilities mainly related to advance income, trade payables and MyCicero/ Pluservice M&A*
- *Business Contribution Settlement represent the payments due to Sisal Group and Banca 5 as defined by the Investment Agreement*
- *Cash Interests/ Bond Amortized Costs mainly related to Senior Secured Notes quarterly payments and RCF*

1) EBITDA adjusted for the effect of extraordinary items, non recurring, other one-off transactions and the depreciation of certain shared assetsg

Mooney 2020 FY Proforma Financial Results – Net Financial Position (as per Covenant)



Mooney 2020 FY Proforma Financial Results – Consolidated Balance Sheet FY 2020

Consolidated financial statements show negative equity since the businesses purchased from Sisal must be accounted for in continuity of values with the previous financial statements, without expressing the related goodwill despite the transaction taking place at market values

Consolidated Balance Sheet Mooney Group (€k)	2019	2020
Non Current Assets	706,457	727,675
<i>o/w goodwill/other intangibles</i>	524,221	534,102
Current Assets	168,148	222,460
<i>o/w cash and cash equivalent</i>	69,549	69,102
Total Assets	874,605	950,135
Equity	(214,154)	(239,360) ¹⁾
Non Current Liabilities	830,622	859,891
<i>o/w financial liabilities</i>	799,618	833,930
Current Liabilities	258,137	329,604
<i>o/w financial liabilities</i>	5,998	68,338
Total Liabilities & Equity	874,605	950,135

1) -€239m = +€64m contributed by Banca5 at fair value; +€23 m contributed by Sisal at net book value (fair value €150m); -€301m difference between Sisal contribution at book value (€304m), purchase price by SisalPay Group (€600m) and loss 2019 (€5m); +€6m contributed by Pluservice minorities; -€31m net loss 2020; 2) Value reflects Purchase Price Allocation Adjustment (-€24 m)

Key highlights

› **Total Assets** value include among the others:

- **Goodwill €534m:**
 - **€216m²⁾** conferred by Banca 5 accounted using the fair value model
 - **€308m** conferred by Sisal corresponding to the Book Value of the Sisal Payments Business, as per IAS IFRS (transaction "under common control")
 - **€10m** related to Pluservice/ MyCicero acquisition
 - Variance vs. 2019 mainly due to Pluservice/ MyCicero acquisition
- **Tangible and intangible conferred assets: €151m** (historical value)
- **Capex/ IFRS16 of the period: €41m** (o/w Capex €31m and IFRS16 €10m)
- **Current assets** mainly related to account receivables (**€77m**), cash and cash equivalents (**€69m**), restricted cash (**€61m**)

› **Total liabilities** include among the others:

- **Non Current Liabilities:** mainly secured notes and DPP vs. shareholders
- **Current liabilities:** mainly RCF and accounts payable vs. payments partners

Mooney 2020 FY Proforma Financial Results – Consolidated Balance Sheet FY 2020 – “Fair value view”

In order to make clear what the effects would be if the transaction were represented by also enhancing the business contributed by the Sisal Group at fair value, the following pro forma balance sheet was prepared

Consolidate Balance Sheet Mooney Group Pro-forma Fair Value [€k]	2019	2020
Non Current Assets	1,129,547	1,150,765
<i>o/w goodwill/other intangibles</i>	<i>947,311</i>	<i>957,192</i>
Current Assets	168,148	222,460
<i>o/w cash and cash equivalent</i>	<i>69,549</i>	<i>69,102</i>
Total Assets	1,297,695	1,373,225
Total Equity	208,936	183,730
Non Current Liabilities	830,622	859,891
<i>o/w financial liabilities</i>	<i>799,618</i>	<i>833,930</i>
Current Liabilities	258,137	329,604
<i>o/w financial liabilities</i>	<i>5,998</i>	<i>68,338</i>
Total Liabilities & Equity	1,297,695	1,373,225

> Q&A

06

 **Thank you
for your attention**

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