

Condensed interim consolidated financial statements

At and for the six months period
ended June 30, 2021 and 2020

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

Tax code, VAT no. and Milan, Monza-Brianza and Lodi Registry of Companies - Ordinary section no.:
10387140964

Registered office: Via Privata Nino Bonnet, 6/A - 20154 Milan - T. 02.91670331 - Certified email:
mooneygroup@pec.mooney.it

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 is controlled by Sisal Group S.p.A., which owns 70% of the shares comprising the Company’s share capital.

The corporate purpose of Sisal Group S.p.A. includes holding investments and managing centralized services and contracts for the group it controls, following the assignment of the business segment pertaining to the management of collection and payment services, finalized in December 2019. Its registered office is located in Via A. di Tocqueville 13, Milan, Italy.

The minority shareholder that owns the remaining 30% of the shares comprising the share capital of the Company is Banca 5 S.p.A, an Italian bank that provides banking services as well as collection and payment services to resellers of products under Italian state monopoly and tobacconists. It is part of the Intesa Sanpaolo Group. Its registered office is located: Via Bisceglie 120 - 20152 Milan, Italy.

Key Factors affecting operations in the six months ended June 30, 2021

In the second quarter 2021, the Italian GDP was up 17.3%¹ compared to the same period of last year and the carry-over annual GDP growth estimate for 2021 is equal to 4.8%.

In spite of Covid 19 emergency still in progress, in the first six months 2021, the Group recorded €7.8 billion turnover, up 12.2% compared to the same period of last year.

To face Covid 19 pandemic, the Group has already launched during 2020 a series of initiatives aimed at guaranteeing the protection of employee health, protecting the business and fundraising for the Italian Civil Protection combined with direct donation programs in favour of leading non-profit organizations and is constantly monitoring the evolution of the epidemic and its impact on the business.

¹ Istat data

With regard to the impacts on the reference market, starting mid-March 2021 the Government adopted new restrictive measures in the whole Country; 12 regions were in red zone and 8 in orange zone with negative impact in the distribution network due to Retail PoS closure in emergency zones (especially Bars) and limited working hours in the rest of the Country. These measures have being progressively released starting the last month of May, in parallel with the take-off of the vaccination plan throughout the Country.

Full P&L results

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

<i>(€ in millions)</i>	Six months ended June 30,				
	2020	% of total revenues and income	2021	% of total revenues and income	% change 2020-2021
Revenues	149.2	100.0%	171.8	99.1%	15.1%
Other revenues and income	-	0.0%	1.6	0.9%	n.a
Total revenues and income	149.2	100.0%	173.4	100.0%	16.2%
Purchases of materials, consumables and merchandise	1.2	0.8%	1.6	0.9%	33.3%
Costs for services	108.5	72.7%	120.4	69.4%	11.0%
Lease and rent expenses	-	0.0%	0.3	0.2%	n.a
Personnel costs	11.3	7.6%	13.4	7.7%	18.6%
Other operating costs	3.0	2.0%	3.7	2.1%	23.3%
Amortization, depreciation, provisions and impairment losses and reversals	19.5	13.1%	27.4	15.8%	40.5%
Net operating profit (EBIT)	5.7	3.9%	6.6	3.8%	15.8%
Finance income and similar	-	0.0%	-	0.0%	n.a
Finance expenses and similar	26.1	17.5%	27.5	15.9%	5.4%
Profit (loss) before income taxes	(20.4)	-13.7%	(20.9)	-12.1%	(2.5%)
Income taxes	(5.1)	-3.4%	(5.4)	-3.1%	5.9%
Total profit (loss) for the period	(15.3)	-10.3%	(15.5)	-8.9%	(1.3%)

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:

<i>(€ in millions)</i>	Six months ended June 30,				Change	
	2020	% of total revenues and income	2021	% of total revenues and income	(amount)	%
Payments and other services revenues	120.9	81.0%	142.0	81.9%	21.1	17.4%
Merchant services and others	28.3	19.0%	31.4	18.1%	3.1	11.0%
Total	149.2	100.0%	173.4	100.0%	24.2	16.2%

Revenues and income, amounted to €173.4 million for the six months ended June 30, 2021, an increase of €24.2 million, or 16.2%, compared to €149.2 million for the six months ended June 30, 2020. 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 increase of Payments and other services revenues. As a percentage of Total revenues and income, Payments and other services revenues amounted to 81.9% for the six months ended June 30, 2021 while Merchant services and others revenues amounted to 18.1%, compared to respectively 81.0% and 19.0% for the six months ended June 30, 2020.

Payments and other services revenues

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

<i>(€ in millions)</i>	Six months ended June 30,				Change	
	2020	% of total revenues and income	2021	% of total revenues and income	(amount)	%
Bill Payments revenues	91.9	61.6%	95.0	54.8%	3.0	3.2%
Prepaid cards revenues	5.9	3.9%	12.1	7.0%	6.2	105.7%
Telco revenues	13.6	9.1%	13.0	7.5%	(0.6)	(4.4%)
Banking products and services revenues	7.1	4.7%	12.2	7.0%	5.1	72.2%
Mobility revenues	-	0.0%	5.6	3.2%	5.6	n.a.
Other products revenues	2.3	1.6%	4.1	2.4%	1.8	76.2%
Total	120.9	81.0%	142.0	81.9%	21.1	17.4%

The overall Payments and other services revenues amounted to €142.0 million for the six months ended June 30, 2021, an increase of €21.1 million, or 17.4%, compared to €120.9 million for the six months ended June 30, 2020.

Payments and other services revenues are composed by:

- Bill Payments revenues: payments of various types of bills, including utilities, fines, taxes and subscription; bill payments include PagoPA, a platform that provides consumers with a convenient way to make electronic payments owed to certain Italian central and local public administration.
- Prepaid cards revenues: issuance and top-up of own-branded prepaid debit cards and top-up services for our partners' prepaid debit cards.
- Telco revenues: top-ups, including, mobile phones, pay-per-view TV cards, and e-commerce accounts.
- Banking products and services revenues: a B2B, B2C and B2B2C offering of products and services, including cash withdrawals and deposits, bank accounts, bank transfers and personal and business lending and insurance products.
- Mobility revenues: ticketing distribution and related sw development revenues related to Pluservice group acquisition completed end of July 2020.
- Other products revenues: mainly related to railways ticket distribution and other tops ups like shopping online vouchers

Payments and other services revenues results are driven by the performance of most of the business lines (and in particular by prepaid cards and banking products and services revenues) with the only exception of Telco gross revenues, slightly declining compared to prior year (but net of network remuneration Telco results were up approx. 9% compared to 2020 first half performance, reversing historical negative trend).

Costs

Purchases of materials, consumables and merchandise

Purchases of materials, consumables and merchandise amounted to €1.6 million for the six months ended June 30, 2021, an increase of €0.4 million, or 33.3%, compared to €1.2 million for the six months ended June 30, 2020, mainly related to the purchase and consumption of equipment related to the mobility business.

Costs for services

Costs for services amounted to €120.4 million for the six months ended June 30, 2021, an increase of €11.9 million, or 11.0%, compared to €108.5 million for the six months ended June 30, 2020.

Costs for services amounted to 69.4% of total revenues and income for the six months ended June 30, 2021, compared to 72.7% of total revenues and income for the six months ended June 30, 2020.

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

Cost of services are composed by the following items:

	Six months ended June 30,				Change	
	2020	% of total revenues and income	2021	% of total revenues and income	(amount)	%
<i>(€ in millions)</i>						
Sales channel- payments services	79.0	53.0%	85.8	49.5%	6.8	8.7%
Commercial services	3.8	2.6%	4.6	2.6%	0.8	19.7%
Consulting	4.2	2.8%	4.1	2.4%	(0.1)	(3.3%)
Others services costs	21.5	14.4%	26.0	15.0%	4.5	21.0%
Total cost for services	108.5	72.7%	120.4	69.4%	11.9	11.0%

- *Sales channel – payments services* amounting to €85.8 million for the six months ended June 30, 2021, an increase of €6.8 million, or 8.7%, compared to €79.0 million for the six months ended June 30, 2020, mainly driven by increase in related Payments and other financial services revenues. As a percentage of Total revenues and income, sales channel payments services amounted to 49.5% for the six months ended June 30, 2021 and to 53.0% for the six months ended June 30, 2020.
- *Commercial services* amounting to €4.6 million for the six months ended June 30, 2021, an increase of €0.8 million, or 19.7%, compared to €3.8 million for the six months ended June 30, 2020. As a percentage of Total revenues and income, Commercial services amounted to 2.6% for both the six months ended June 30, 2021 and June 30, 2020. This cost item is mainly related to marketing and advertising and residually to other commercial initiatives.
- *Consulting* amounting to €4.1 million for the six months ended June 30, 2021, a decrease of €0.1 million, or 3.3%, compared to €4.2 million for the six months ended June 30, 2020. As a percentage of Total revenues and income, Consulting amounted to 2.4% for the six months ended June 30, 2021 and to 2.8% for the six months ended June 30, 2020.
- *Other services costs* amounting to €26.0 million for the six months ended June 30, 2021, an increase of €4.5 million, or 21.0%, compared to €21.5 million for the six months related to June 30, 2020. As a percentage of Total revenues and income, Other services costs amounted to 15.0% for the six months ended June 30, 2021 and to 14.4% for the six months ended June 30, 2020. Other services costs are mainly related to Bank fees, outsourcing costs, maintenance fees and other expenses; the increase compared to prior year is mainly driven by bank fees and outsourcing costs related to cashless transaction and new business line support.

Personnel costs

Personnel costs amounted to €13.4 million for the six months ended June 30, 2021, an increase of €2.1 million, or 18.6%, compared to €11.3 million for the six months ended June 30, 2020. As a percentage of total revenues and income, Personnel costs amounted to 7.7% for the six months ended June 30, 2021 and 7.6% for the six months ended June 30, 2020. Our average workforce, expressed in full time equivalents, reached 569 for the six months ended June 30, 2021, an increase of 192 from 377 for the six months ended June 30, 2020, due mainly to different reported perimeter, in consideration of the acquisition of the mobility business during third quarter 2020.

Other operating costs

Other operating costs amounted to €3.7 million for the six months ended June 30, 2021, an increase of €0.7 million, or 23.3%, compared to €3.0 million for the six months ended June 30, 2020, mainly due to increase in non-recoverable VAT cost. As a percentage of Total revenues and income, Other operating costs amounted to 2.1% for the six months ended June 30, 2021 and to 2.0% for the six months ended June 30, 2020.

Amortization, depreciation, provisions and impairment losses and reversals

Amortization, depreciation, provisions and impairment losses and reversals amounted to €27.4 million for the six

months ended June 30, 2021, an increase of €7.9 million, or 40.5%, compared to €19.5 million for the six months ended June 30, 2020. As a percentage of total revenues and income, Amortization, depreciation, provisions and impairment losses and reversals amounted to 15.8% for the six months ended June 30, 2021 and to 13.1% for the six months ended June 30, 2020 and are mainly related to Amortization and depreciation of intangible and tangible assets for total €24.2 million for the six months ended June 30, 2021, compared to €17.5 million for the six months ended June 30, 2020.

Net operating profit (EBIT)

Net operating profit (EBIT) amounted to €6.6 million for the six months ended June 30, 2021, compared to €5.7 million for the six months ended June 30, 2020.

Net margin was 3.8% for the six months ended June 30, 2021, compared to 3.9% for the first six months ended June 30, 2020.

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

Finance expenses and similar

Finance expenses and similar amounted to €27.5 million for the six months ended June 30, 2021, an increase of €1.4 million, or 5.4%, compared to €26.1 million for the six months ended June 30, 2020. As a percentage of Total revenues and income, Finance expenses and similar amounted to 15.9% for the six months ended June 30, 2021 and to 17.5% for the six months ended June 30, 2020. Finance expenses and similar are almost equally referred to related parties (Sisal Group S.p.A. and Banca 5 S.p.A., in connection with the deferred payments agreements subscribed by the Company at the end of 2019) and to third parties (mainly represented by the senior secured notes holders).

Income taxes

Income taxes amounted to €-5.4 million for the six months ended June 30, 2021, in line with related taxable income of the Group.

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 overall lower cash absorbed in the first six months 2021 compared to cash absorbed in the first six months 2020 is by the way mainly due to the different movements in other assets and liabilities, mainly referred to the liquidation in the month of February 2020 of the business contributions settlements for about €56 million in favour of Sisal Group and Banca 5, as per the related signed agreements.

<i>(€ in millions)</i>	Six months ended June 30,	
	2020	2021
Movements in trade receivables	(19.9)	(21.1)
Movements in inventories	2.6	(0.3)
Movements in trade payables	10.8	(13.4)
Movements in trade working capital	(6.4)	(34.8)
Movements in other assets and liabilities	(40.4)	7.7
Total movements in working capital	(46.9)	(27.1)

Cash flows

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

<i>(€ in millions)</i>	Six months ended June 30,	
	2020	2021
Cash provided by operations before changes in working capital, interest and taxes	25.2	35.1
Tax paid	-	(1.7)
Changes in working capital	(46.9)	(27.1)
Cash flows provided by (used in) operating activities	(21.7)	6.3
Cash flows provided by (used in) investing activities	(9.0)	(19.4)
Cash flows provided by (used in) financing activities	44.5	(10.7)
Increase/(Decrease) in cash and cash equivalents	13.7	(23.8)
Net cash at the beginning of the period	69.5	69.1
Net cash at the end of the period	83.3	45.3

Cash provided by operating activities amounted to €6.3 million for the six months ended June 30, 2021, compared to Cash used by operating activities amounting to €21.7 million for the six months. The movement is mainly driven by the trend in working capital as commented above while cash provided by operations before changes in working capital, interest and taxes was up approx. €10.0 million.

Cash flows used in investing activities amounted to €19.4 million for the six months ended June 30, 2021, compared to €9.0 million for the six months ended June 30, 2020, mainly due to investments in intangible assets.

Cash flows used by financing activities amounted to €10.7 million for the six months ended June 30, 2021, compared to Cash flows provided by financing activities of 44.5 million for the six months ended June 30, 2020. The cash flows related to financing activities for both the six months ended June 30, 2021 and June 30, 2020 included net interest and related expenses payments for respectively €11.8 million and €17.2 million. In addition, 2021 cash flows include net usage of revolving facilities for €4.5 million, compared to net usage of revolving facilities for €62.5 million for the six months ended June 30, 2020 to face Covid-19 epidemic and related lock down impact. In the six months ended June 30, 2021 are also reflected repayments for about €2.4 million of financial liabilities accounted for in application of the accounting standard IFRS 16.

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, 2020 and June 30, 2021. Subordinated shareholders loans are not included:

<i>(€ in millions)</i>	As of December 31,	As of June 30,
	2020	2021
Senior revolving Facility	61.5	65.5
Senior Secured notes	530.8	530.7
Other financial liabilities	18.2	25.5
Total external financial liabilities	610.4	621.7

Other Financial Information

<i>(€ in millions)</i>	Six months ended June 30,	
	2020	2021
EBITDA ⁽¹⁾	25.1	35.2
Adjusted EBITDA ⁽²⁾	36.0	46.0
Adjusted EBITDA margin ⁽³⁾	24.1%	26.5%

- (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.

<i>(€ in millions)</i>	Six months ended June 30,	
	2020	2021
Profit/(loss) for the period	(15.3)	(15.5)
Net finance expense and similar	26.1	27.5
Income taxes	(5.1)	(5.4)
Amortisation, depreciation, provisions and impairments	17.5	25.3
Impairment of receivables	2.0	3.2
EBITDA	25.1	35.2

<i>(€ in millions)</i>	As of December 31,	As of June 30,
	2020	2021
Unrestricted cash ⁽⁴⁾	69.1	45.3
MOONEY GROUP net senior secured debt ⁽⁵⁾	523.2	550.9

- (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 SIX MONTHS ENDED JUNE 30, 2021 AND JUNE 30, 2020

<i>(in Euro thousands)</i>	Notes	For the Six months ended June 30,		For the three months ended June 30,	
		2021	2020	2021	2020
Revenues	8	171,817	149,158	83,867	73,256
<i>of which related parties</i>		16,273	20,021	6,721	10,518
Other revenues and income		1,628	1	939	1
<i>of which related parties</i>		1,250	0	800	0
Total revenues and income		173,445	149,159	84,806	73,257
Purchases of materials, consumables and merchandise		1,564	1,162	740	642
Costs for services		120,415	108,483	57,454	54,403
<i>of which related parties</i>	17	7,163	5,503	3,072	3,216
Lease and rent expenses		312	39	180	36
Personnel costs		13,369	11,303	6,760	5,660
<i>of which related parties</i>	17	1,042	830	521	415
Other operating costs		3,742	3,015	1,864	1,647
Amortisation, depreciation, provisions and impairment losses and reversals		27,443	19,456	15,236	9,711
Net operating profit (EBIT)		6,600	5,702	2,572	1,158
Finance income and similar		37	0	36	0
<i>of which related parties</i>	17	0	0	0	0
Finance expenses and similar	9	27,501	26,122	13,865	13,208
<i>of which related parties</i>	17	14,130	13,013	7,103	6,506
Profit (loss) before income taxes		(20,864)	(20,420)	(11,257)	(12,050)
Income taxes		(5,393)	(5,082)	(3,443)	(3,120)
Profit (loss) for the period		(15,471)	(15,338)	(7,814)	(8,930)
Attributable to non-controlling interest		256	0	222	0
Attributable to owner of the parent		(15,727)	(15,338)	(8,036)	(8,930)
Other comprehensive income:		0	0	0	0
<i>Other comprehensive income that will not be subsequently reclassified to the income statement :</i>					
Remeasurement of defined benefit plans		0	0	0	0
Tax effect		0	0	0	0
Total comprehensive profit (loss) for the period		(15,471)	(15,338)	(7,814)	(8,930)
Attributable to non-controlling interest		256	0	222	0
Attributable to owner of the parent		(15,727)	(15,338)	(8,036)	(8,930)

MOONEY GROUP S.P.A. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT JUNE 30, 2021 AND DECEMBER 31, 2020

<i>(in Euro thousands)</i>	<i>Notes</i>	<i>At June 30, 2021</i>	<i>At December 31, 2020</i>
A) NON-CURRENT ASSETS			
Property, Plant and Equipment	10	66,848	63,934
Goodwill	11	534,102	534,102
Intangible assets	10	131,108	127,294
Investments accounted for using the equity method		0	0
Deferred tax assets		0	0
Other non-current assets		667	2,345
Total non-current assets		732,725	727,675
B) CURRENT ASSETS			
Inventories		4,270	3,923
Trade receivables		93,797	76,610
<i>of which related parties</i>	17	9,901	54,195
Current financial assets		0	0
Taxes receivable		0	12
Restricted bank deposits	12	91,111	61,142
<i>of which related parties</i>		43,577	16,055
Cash and cash equivalents	13	45,335	69,103
<i>of which related parties</i>	17	29,197	29,172
Other current assets		13,179	11,670
<i>of which related parties</i>	17	4,515	4,618
Total current assets		247,692	222,460
TOTAL ASSETS		980,417	950,135
A) EQUITY			
Share capital	14	10,050	10,050
Share premium reserve		77,485	77,485
Other reserves		(332,182)	(301,681)
Profit (Loss) for the year		(15,727)	(30,500)
Total equity attributable to owners of the Parent		(260,374)	(244,646)
Equity attributable to non-controlling interests		5,543	5,286
Total equity		(254,831)	(239,360)
B) NON-CURRENT LIABILITIES			
Long-term debt	15	857,318	833,930
<i>of which related parties</i>		327,827	313,827
Provision for employee severance indemnities		6,050	5,969
Deferred tax liabilities		12,404	18,732
Provisions for risks and charges	16	360	360
Other non-current liabilities		901	901
Total non-current liabilities		877,033	859,891
C) CURRENT LIABILITIES			
Trade and other payables		199,309	209,738
<i>of which related parties</i>	17	4,134	5,783
Short-term debt	15	65,805	61,118
<i>of which related parties</i>		0	1,164
Current portion of long-term debt	15	6,093	7,220
<i>of which related parties</i>		2,206	2,508
Taxation payable		698	1,350
Other current liabilities		86,310	50,177
<i>of which related parties</i>	17	878	1,459
Total current liabilities		358,215	329,604
TOTAL LIABILITIES AND EQUITY		980,417	950,135

MOONEY GROUP S.P.A.
CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE SIX MONTHS ENDED JUNE 30, 2021 AND JUNE 30, 2020

	For the six months ended June 30,	
<i>(In Euro thousands)</i>	2021	2020
Profit (loss) for the period before income taxes	(20,864)	(20,420)
Amortization and depreciation	24,230	17,493
Impairment of current receivables	3,904	1,963
Provisions for risks and charges, accruals and employee severance indemnities	360	0
Finance (income) expenses	27,464	26,122
Net cash generated from operating activities before changes in working capital, interest and taxes	35,094	25,158
Changes in trade receivables	(21,092)	(19,904)
Changes in inventories	(347)	2,622
Changes in trade payables	(13,406)	10,834
Change in other assets and liabilities	7,699	(40,446)
Taxes (paid)/reimbursed	(1,679)	0
Net cash generated from operating activities	6,269	(21,736)
Increase in property, plant and equipment	(3,559)	(1,641)
Increase in intangible assets	(17,504)	(7,378)
(Increase) decrease in other non-current assets	1,677	(18)
Acquisitions (net of cash)	0	0
Net cash used in investing activities	(19,386)	(9,037)
decrease in medium-/long-term debt	(898)	(155)
decrease in lease payables	(2,392)	(685)
Increase (decrease) in short-term debt	4,489	62,500
Net interest paid	(11,849)	(17,151)
Net cash used in financing activities	(10,650)	44,509
Net change in cash and cash equivalents	(23,767)	13,736
Net cash at the beginning of the period	69,102	69,549
Net cash at the end of the period	45,335	83,285

MOONEY GROUP S.P.A.
CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE SIX MONTHS ENDED JUNE 30, 2021 AND JUNE 30, 2020

<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, 2019	10,050	0	77,485	(296,563)	(5,126)	(214,154)	0	(214,154)
Prior year result				(5,126)	5,126	0	0	0
Profit/(loss) for the period					(15,338)	(15,338)	0	(15,338)
Total comprehensive profit (loss) for the period	0	0	0	(5,126)	(10,212)	(15,338)	0	(15,338)
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 June 30, 2020	10,050	0	77,485	(301,689)	(15,338)	(229,492)	0	(229,492)
Equity at December 31, 2020	10,050	0	77,485	(301,681)	(30,500)	(244,646)	5,286	(239,360)
Prior year result				(30,500)	30,500	0	0	0
Profit/(loss) for the period					(15,727)	(15,727)	256	(15,471)
Total comprehensive profit (loss) for the period	0	0	0	(30,500)	14,773	(15,727)	256	(15,471)
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 June 30, 2021	10,050	0	77,485	(332,181)	(15,727)	(260,374)	5,543	(254,831)

MOONEY GROUP S.P.A.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT AND FOR THE SIX MONTHS
ENDED JUNE 30, 2021

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 distribution network of approx. ≈ 46,000 point of sales, but also leveraging a fast growing online channel.

The shareholders of the Company are currently Sisal Group S.p.A., owing 70% of the capital stock of the Company and Banca 5 S.p.A. holding the residual 30%.

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 2021, as the last step of the so-called “rebranding”, which culminated last November 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, 2020 (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 September 9, 2021.

3. Going concern

Net loss for the six months ended June 30, 2021 amounted to Euro 15,471 thousand (Euro 15,338 thousand for the six months ended June 30, 2020; at June 30, 2021 the consolidated equity was negative for Euro 254,831 thousand (Euro 239,360 thousand at December 31, 2020) and net working capital at June 30, 2021 was negative for Euro 83,960 thousand (Euro 107,908 thousand at December 31, 2020).

The loss for the period is mainly related to charges related to the financial structure of the Group and to non recurring/special items for total Euro 38,283 thousand; on top it should be considered also the Covid 19 impact, which is still affecting in the first nine months 2021 the Group performance as consequence of ongoing restrictions decided by central ad local authorities.

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 third parties at June 30, 2021 and at December 31, 2020:

<i>(In Euro thousands)</i> <i>(Percentage computed on total debt and equity)</i>	At June 30, 2021	%	At December 31, 2020	%
Long term debt	530,165		520,903	
Short-term debt and current portion of long-term debt	71,898		68,338	
Funding from third parties	602,063	89.3%	589,241	88.9%
Shareholder Loan	327,153		313,027	
Funding from shareholders	327,153	48.5%	313,027	47.2%
Equity	(254,831)	-37.8%	(239,360)	-36.1%
Total debt and equity	674,385	100.0%	662,908	100.0%

As at June 30, 2021 the Short-term debt includes the drawdown of the Super Senior Revolving Facility for Euro 65,500 thousand, increased for Euro 4,000 thousand compared to the draw down at the end of December 2020.

It is noted that Loans from related parties include around Euro 114.4 million relating to loan from the majority shareholder Sisal Group S.p.A. and around Euro 212.8 million relating to a loan obtained from the minority shareholder Banca 5 S.p.A. as part of said operation, arising from the acquisition by the Company of the investments held by the two 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. These debt instruments accrue annual interest at a rate of 9% and the capital value (including interest accrued) will be repaid no earlier than 6 months after the complete repayment of the Senior Secured Floating Rate Notes by the Company, included in the long term debt from third parties.

The macroeconomic scenario for the current year, reflected in the 2021 Budget approved by the Group last February, is affected by the negative impacts of Covid-19, especially, as already mentioned above, based on the significant restrictions on the so-called Horeca channel that are still partially active. At the same time, however, it is expected that the market trend may show signs of recovery compared to 2020 in line with the main macroeconomic indicators (GDP +4%), also thanks to a gradual return to normality expected starting from the second part of the year.

On the basis of these assessments and ongoing developments (over all the Group delivered a very strong performance compared to prior year both in terms of net revenues and EBITDA) 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 2020 and adopted for the first time.

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

Since January 2021, the following accounting standards, amendments and interpretations have been endorsed by the European Union and adopted by the Group:

- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Interest Rate Benchmark Reform – Phase 2)
- Amendments to IFRS 4 Insurance Contracts – deferral of IFRS19
- Amendments to IFRS 16 Leases: Covid-19-Related Rent Concessions

No relevant impacts have been identified 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.

- IFRS 17 Insurance Contracts;
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current;
- Amendments to IFRS 3 Business Combinations;
- Amendments to IAS 16 Property, Plant and Equipment;
- Amendments to IAS 37 Provisions, Contingent Liabilities and Contingent Assets;
- Amendments to Annual Improvements 2018-2020;

- Amendments to IAS 1 Presentation of Financial Statements and IFRS Practice Statement 2: Disclosure of Accounting policies;
- Amendments to IAS 8 Accounting policies, Changes in Accounting Estimates and Errors: Definition of Accounting Estimates;
- Amendments to IAS 12 Income Taxes

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. There were no changes in the risk management department since year end or in any risk management policies.

Liquidity risk

At June 30, 2021, 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 June 2026. At June 30, 2021, these facilities were partially drawn down for Euro 65.5 million.

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 June 30, 2021 and December 31, 2020 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.

8. Revenues

The following table sets forth an analysis of Revenues:

<i>(in Euro thousands)</i>	For the six months ended June 30,		For the three months ended June 30,	
	2021	2020	2021	2020
Payments and other services	142,036	120,872	68,860	59,334
Merchant services and others	31,409	28,287	15,946	13,923
Total	173,445	149,159	84,806	73,257

The Payments and other services revenues are analyzed as follows:

<i>(in Euro thousands)</i>	For the six months ended June 30,		For the three months ended June 30,	
	2021	2020	2021	2020
Bill Payments revenues	95,024	91,945	44,080	44,576
Prepaid cards revenues	12,115	5,891	6,155	3,282
Telco revenues	13,013	13,614	6,415	6,201
Banking products	12,198	7,085	7,304	4,145
Mobility revenues	5,568	0	2,867	0
Other products revenues	4,118	2,337	2,039	1,130
Total	142,036	120,872	68,860	59,334

9. Finance expense and similar

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

<i>(in thousands of Euros)</i>	For the six months ended June 30,		For the three months ended June 30,	
	2021	2020	2021	2020
Interest and other finance expenses - related parties	14,130	13,013	7,103	6,506
Interest and other finance expenses - third parties	13,371	13,109	6,762	6,702
Total	27,501	26,122	13,865	13,208

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
six months June 30, 2021		
Opening net book amount as at January 1, 2021	63,934	127,294
Acquisitions of subsidiaries/businesses	0	0
Increases	13,470	17,505
Depreciation, amortisation and impairment	(10,539)	(13,690)
Disposals /reclassification	(17)	0
Closing net book amount as at June 30, 2021	66,848	131,109

11. Goodwill

<i>(in thousands of Euros)</i>	At June 30, 2021	At December 31, 2020
At the beginning of the period	534,102	524,221
Acquisitions of subsidiaries/businesses	0	9,881
At the end of the period	534,102	534,102

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 June 30, 2021 and December 31, 2020 are as follows:

<i>(in Euro thousands)</i>	At June 30, 2021	At December 31, 2020
Bank and postal accounts	45,326	69,101
Cash and cash equivalents in hand	9	2
Total	45,335	69,103

14. Share capital

At June 30, 2021 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, 2020.

15. Borrowings and loans

The table sets forth an analysis of Borrowings and loans:

<i>(in Euro thousands)</i>	At June 30, 2021	At December 31, 2020
Senior Revolving and ancillary facilities	65,804	59,323
Senior Secured Notes	513,090	511,749
Loans from shareholders	327,153	313,027
Loans from other banks	3,344	6,037
Payable to other lenders - leasing contracts	19,824	12,132
Other loans from third parties	23,168	18,169
Total	929,216	902,268
<i>of which current</i>	<i>71,898</i>	<i>68,338</i>
<i>of which non-current</i>	<i>857,318</i>	<i>833,930</i>

Movements in borrowings are analyzed as follows:

<i>(in Euro thousands)</i>	Six months ended June 30,	
	2021	2020
Opening amount as at January 1	902,268	805,615
New borrowings	4,000	62,500
Change in IFRS 16 net financial liability	7,692	(680)
Net accrued interest and amortized	15,666	16,203
Repayments of borrowings	410	847
Closing amount as at June 30	929,216	882,791

At June 30, 2021, the market price of the senior secured notes was a total of Euro 532.3 million compared to a face total value of Euro 530 million, slightly increasing compared to market price at the end of December 2020.

New borrowings are related to the drawdown of the Senior revolving Facility for Euro 4.0 million.

16. Provisions for risks and charges

There were no movements in the provisions for risks and charges in the first six months 2021

17. Related party transactions

Amongst related parties, we note the existing relationships with Banca 5 S.p.A., a company that exercises significant influence on the Group its parent company Intesa Sanpaolo S.p.A..

With regard to financial transactions, we already commented the debt related to the deferred purchase price agreements signed at the end of 2019; in addition, at June 30, 2021 it is noted the trade receivable for about Euro 9.9 million, related to the turnover collection managed by Sisal Group S.p.A. and Banca 5 S.p.A. based on specific temporary services agreements.

In addition it is noted that some restricted and available cash is deposited with both Banca 5 S.p.A. and Intesa Sanpaolo S.p.A. for total Euro 72.8 million.

Related party revenues, amounting to Euro 16.3 million for the six months ended June 30, 2021, are related to income originating from transaction referred to non-contributed products whose ownership is currently retained by Banca 5 S.p.A..

Related party costs for services, amounting in total to Euro 7,163 thousand in the six months ended June 30, 2021, are related for Euro 1,462 thousand to compensation for executives who are also Company directors and for Euro 5,701 thousands to operational, technological and administrative services by both the shareholders groups; salaries and employees severance indemnities of key management charged with strategic responsibilities, amounting to Euro 1,042 thousand in the six months ended June 30, 2021, are reported under Personnel costs.

18. Significant non-recurring events and transactions

During the six months ended June 30, 2021, the Group recognized about €10.8 million net non-recurring expenses, mainly related to integration costs and also to start-up costs in connection with launch of new business lines.

19. Commitments

The Condensed Consolidated Interim Financial Statements include capital expenditure commitments for approximately Euro 4.9 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

In spite of the still tough environment situation, the Group is continuously developing its different business segments and exploring new business opportunities; in particular, at the end of July the Board of Directors preliminary approved

the acquisition of a new business segment, currently operated by Banca 5 S.p.A.. The deal is aimed to strength Mooney positioning in the banking services and prepaid cards segments, thanks to the enlargement of the related B2B and B2C offerings, to new synergies due to cost reduction and to further acceleration of time-to-market driven by the streamlining of the business model, the acquisition of technical core competencies, IT platforms and related know-how. The final agreement is expected to be finalized by the end of third quarter 2021 while execution of the closing should be within the end of the current year.