

# Condensed interim consolidated financial statements

At and for the three months  
period ended March 31, 2022 and  
2021

## 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.:  
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# 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 2022. 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 demerger of previous Parent Company Sisal Group S.p.A. and following the reverse merger with the new controlling entity named SG2 S.p.A., is currently controlled by Schumann Investments S.A., which owns 70% of the shares comprising the Company’s share capital.

The corporate purpose of Schumann Investments S.A. is mainly related to holding investments. Its registered office is located in Luxembourg, Avenue Monterey, 20.

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 three months ended March 31, 2022

In the first quarter 2022, the Italian GDP was estimated to be up 5.8%<sup>1</sup> compared to the same period of last year and the carry-over annual GDP growth estimate for 2022 is equal to 2.2%.

In spite of Covid 19 emergency still in progress and Russia- Ukraine crisis, in the first three months 2022, the Group recorded €3.8 billion turnover, down 6.3% compared to the same period of last year.

Covid-19 pandemic impacted also the first quarter 2022, as the emerging Omicron variant has caused the largest surge of infections and quarantine: 1 out of 4 Italians blocked at home.

<sup>1</sup> Istat data

Despite this, Mooney is continuing to deliver a positive performance with Q1 Revenues +7% and EBITDA +4% compared to Prior Year.

## Full P&L results

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

<i>(€ in millions)</i>	Three months ended March 31,				
	2021	% of total revenues and income	2022	% of total revenues and income	% change 2021-2022
Revenues	88.0	99.3%	93.7	99.2%	6.5%
Other revenues and income	0.7	0.8%	0.8	0.8%	14.3%
<b>Total revenues and income</b>	<b>88.6</b>	<b>100.0%</b>	<b>94.5</b>	<b>100.0%</b>	<b>6.7%</b>
Purchases of materials, consumables and merchandise	0.8	0.9%	0.7	0.7%	(12.5%)
Costs for services	63.0	71.1%	66.2	70.1%	5.1%
Lease and rent expenses	0.1	0.1%	0.2	0.2%	100.0%
Personnel costs	6.6	7.4%	6.9	7.3%	4.5%
Other operating costs	1.9	2.1%	1.6	1.7%	(15.8%)
Amortization, depreciation, provisions and impairment losses and reversals	12.2	13.8%	16.5	17.5%	35.2%
<b>Net operating profit (EBIT)</b>	<b>4.0</b>	<b>4.5%</b>	<b>2.4</b>	<b>2.5%</b>	<b>(40.0%)</b>
Finance income and similar	-	0.0%	-	0.0%	n.a
Finance expenses and similar	13.6	15.3%	14.5	15.3%	6.6%
<b>Profit (loss) before income taxes</b>	<b>(9.6)</b>	<b>-10.8%</b>	<b>(12.1)</b>	<b>(12.8%)</b>	<b>(26.0%)</b>
Income taxes	(1.9)	(2.1%)	(2.4)	(2.5%)	26.3%
<b>Total profit (loss) for the period</b>	<b>(7.7)</b>	<b>(8.7%)</b>	<b>(9.7)</b>	<b>(10.3%)</b>	<b>(26.0%)</b>

## 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>	Three months ended March 31,				Change	
	2021	% of total revenues and income	2022	% of total revenues and income	(amount)	%
Payments and other services revenues	73.2	82.6%	78.9	83.4%	5.7	7.8%
Merchant services and others	15.5	17.4%	15.6	16.6%	0.1	0.6%
<b>Total</b>	<b>88.6</b>	<b>100.0%</b>	<b>94.5</b>	<b>100.0%</b>	<b>5.9</b>	<b>6.7%</b>

Revenues and income, amounted to €94.5 million for the three months ended March 31, 2022, an increase of €5.9 million, or 6.7%, compared to €88.6 million for the three months ended March 31, 2021. 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 83.4% for the three months ended March 31, 2022 while Merchant services and others revenues amounted to 16.6%, compared to respectively 82.6% and 17.4% for the three months ended March 31, 2021.

### **Payments and other services revenues**

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

<i>(€ in millions)</i>	<b>Three months ended March 31,</b>				<b>Change</b>	
	<b>2021</b>	<b>% of total revenues and income</b>	<b>2022</b>	<b>% of total revenues and income</b>	<b>(amount)</b>	<b>%</b>
Bill Payments revenues	50.9	57.5%	54.3	57.4%	3.2	6.3%
Prepaid cards revenues	6.0	6.7%	7.6	8.1%	1.7	28.3%
Telco revenues	6.6	7.4%	6.1	6.5%	(0.5)	(7.2%)
Banking products and services revenues	4.9	5.5%	6.1	6.4%	1.2	23.9%
Mobility revenues	2.7	3.0%	2.6	2.8%	(0.1)	(2.7%)
Other products revenues	2.1	2.3%	2.1	2.3%	0.1	3.1%
<b>Total</b>	<b>73.2</b>	<b>82.6%</b>	<b>78.9</b>	<b>83.4%</b>	<b>5.7</b>	<b>7.8%</b>

The overall Payments and other services revenues amounted to €78.9 million for the three months ended March 31, 2022, an increase of €5.7 million, or 7.8%, compared to €73.2 million for the three months ended March 31, 2021.

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 2021.
- 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 bill payments, prepaid cards and banking products and services revenues) while Telco gross revenues is slightly declining compared to prior year (and net of network remuneration Telco revenue decrease is almost nil) and mobility revenues are substantially flat compared to prior year results.

### **Costs**

#### ***Purchases of materials, consumables and merchandise***

Purchases of materials, consumables and merchandise amounted to €0.7 million for the three months ended March 31, 2022, a decrease of €0.1 million, or 12.5%, compared to €0.8 million for the three months ended March 31, 2021, mainly related to lower consumption of terminal paper rolls.

#### ***Costs for services***

Costs for services amounted to €66.2 million for the three months ended March 31, 2022, an increase of €3.2 million, or 5.1%, compared to €63.0 million for the three months ended March 31, 2021.

Costs for services amounted to 70.1% of total revenues and income for the three months ended March 31, 2022, compared to 71.1% of total revenues and income for the three months ended March 31, 2021.

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

Cost of services are composed by the following items:

<i>(€ in millions)</i>	Three months ended March 31,				Change	
	2021	% of total revenues and income	2022	% of total revenues and income	(amount)	%
Sales channel- payments services	45.1	50.9%	45.6	48.3%	0.5	1.2%
Commercial services	3.0	3.4%	1.8	1.9%	(1.2)	(39.8%)
Consulting	1.7	1.9%	2.4	2.6%	0.7	40.5%
Others services costs	13.1	14.8%	16.4	17.3%	3.3	24.9%
<b>Total cost for services</b>	<b>63.0</b>	<b>71.1%</b>	<b>66.2</b>	<b>70.1%</b>	<b>3.2</b>	<b>5.1%</b>

- *Sales channel – payments services* amounting to €45.6 million for the three months ended March 31, 2022, an increase of €0.5 million, or 1.2%, compared to €45.1 million for the three months ended March 31, 2021, 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 48.3% for the three months ended March 31, 2022 and to 50.9% for the three months ended March 31, 2021.
- *Commercial services* amounting to €1.8 million for the three months ended March 31, 2022, a decrease of €1.2 million, or 39.8%, compared to €3.0 million for the three months ended March 31, 2021. As a percentage of Total revenues and income, Commercial services amounted to 1.9% for the three months ended March 31, 2022 and to 3.4% for the three months ended March 31, 2021. This cost item is mainly related to marketing and advertising and residually to other commercial initiatives and the decrease compared to the prior year reflects the higher promotion costs in the first quarter 2021 to support the launch of the new Mooney prepaid card.
- *Consulting* amounting to €2.4 million for the three months ended March 31, 2022, an increase of €0.7 million, or 40.5%, compared to €1.7 million for the three months ended March 31, 2021. As a percentage of Total revenues and income, Consulting amounted to 2.6% for the three months ended March 31, 2022 and to 1.9% for the three months ended March 31, 2021.
- *Other services costs* amounting to €16.4 million for the three months ended March 31, 2022, an increase of €3.3 million, or 24.9%, compared to €13.1 million for the three months related to March 31, 2021. As a percentage of Total revenues and income, Other services costs amounted to 17.3% for the three months ended March 31, 2022 and to 14.8% for the three months ended March 31, 2021. 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 outsourcing costs related to cashless transaction and new business line support.

#### Personnel costs

Personnel costs amounted to €6.9 million for the three months ended March 31, 2022, an increase of €0.3 million, or 4.5%, compared to €6.6 million for the three months ended March 31, 2021. As a percentage of total revenues and income, Personnel costs amounted to 7.3% for the three months ended March 31, 2022 and 7.4% for the three months ended March 31, 2021. Our average workforce, expressed in full time equivalents, reached 634 for the three months ended March 31, 2022, an increase of 76 from 558 for the three months ended March 31, 2021.

#### Other operating costs

Other operating costs amounted to €1.6 million for the three months ended March 31, 2022, a decrease of €0.3 million, or 15.8%, compared to €1.9 million for the three months ended March 31, 2021, mainly due to the decrease in non-recoverable VAT cost. As a percentage of Total revenues and income, Other operating costs amounted to 1.7% for the three months ended March 31, 2022 and to 2.1% for the three months ended March 31, 2021.

### Amortization, depreciation, provisions and impairment losses and reversals

Amortization, depreciation, provisions and impairment losses and reversals amounted to €16.5 million for the three months ended March 31, 2022, an increase of €4.3 million, or 35.2%, compared to €12.2 million for the three months ended March 31, 2021. As a percentage of total revenues and income, Amortization, depreciation, provisions and impairment losses and reversals amounted to 17.5% for the three months ended March 31, 2022 and to 13.8% for the three months ended March 31, 2021; the increase is mainly related to Amortization and depreciation of intangible assets and impairment of receivables.

### Net operating profit (EBIT)

Net operating profit (EBIT) amounted to €2.4 million for the three months ended March 31, 2022, compared to €4.0 million for the three months ended March 31, 2021.

Net margin was 2.5% for the three months ended March 31, 2022, compared to 4.5% for the first three months ended March 31, 2021.

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

### Finance expenses and similar

Finance expenses and similar amounted to €14.5 million for the three months ended March 31, 2022, an increase of €0.9 million, or 6.6%, compared to €13.6 million for the three months ended March 31, 2021. As a percentage of Total revenues and income, Finance expenses and similar amounted to 15.3% for both the three months ended March 31, 2022 and 2021. Finance expenses and similar are almost equally referred to related parties (Schumann Investments S.A. and Banca 5 S.p.A., mainly 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 €-2.4 million for the three months ended March 31, 2022, 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 higher cash absorbed in the first three months 2022 compared to the performance of the first three months 2021 is by the way mainly due to higher cash absorbed by movements in trade working capital, driven by impact on the cut-off of bill payments through PagoPA infrastructure.

<i>(€ in millions)</i>	Three months ended March 31,	
	2021	2022
Movements in trade receivables	(7.2)	(24.3)
Movements in inventories	(0.5)	(3.1)
Movements in trade payables	6.9	17.7
<b>Movements in trade working capital</b>	<b>(0.8)</b>	<b>(9.7)</b>
Movements in other assets and liabilities	5.2	5.3
<b>Total movements in working capital</b>	<b>4.4</b>	<b>(4.4)</b>

## Cash flows

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

<i>(€ in millions)</i>	<b>Three months ended March 31,</b>	
	<b>2021</b>	<b>2022</b>
Cash provided by operations before changes in working capital, interest and taxes	17.1	19.2
Tax paid	-	-
Changes in working capital	4.4	(4.4)
Cash flows provided by (used in) operating activities	21.5	14.8
Cash flows provided by (used in) investing activities	(13.3)	(11.3)
Cash flows provided by (used in) financing activities	(1.5)	(8.8)
<b>Increase/(Decrease) in cash and cash equivalents</b>	<b>6.6</b>	<b>(5.4)</b>
<b>Net cash at the beginning of the period</b>	<b>69.1</b>	<b>67.6</b>
<b>Net cash at the end of the period</b>	<b>75.7</b>	<b>62.3</b>

Cash provided by operating activities amounted to €14.8 million for the three months ended March 31, 2022, compared to Cash provided by operating activities amounting to €21.5 million for the three months ended March 31, 2021. 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. €2.0 million.

Cash flows used in investing activities amounted to €11.3 million for the three months ended March 31, 2022, compared to €13.3 million for the three months ended March 31, 2021, mainly due to lower investments in intangible assets.

Cash flows used by financing activities amounted to €8.8 million for the three months ended March 31, 2022, compared to Cash flows used by financing activities of €1.5 million for the three months ended March 31, 2021. The cash flows related to financing activities for both the three months ended March 31, 2022 and March 31, 2021 included net interest and related expenses payments for respectively €6.0 million and €5.8 million. In addition, 2022 cash flows include net reimbursement of revolving facilities for €1.3 million, compared to net usage of revolving facilities for €5.9 million for the three months ended March 31, 2021. In the three months ended March 31, 2022 are also reflected repayments for about €1.0 million of financial liabilities accounted for in application of the accounting standard IFRS 16, in line with the figure reported in the same period of 2021.

## 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, 2021 and March 31, 2022. Subordinated shareholders loans are not included:

<i>(€ in millions)</i>	<b>As of December 31,</b>	<b>As of March 31,</b>
	<b>2021</b>	<b>2022</b>
Senior revolving Facility	70.5	70.0
Senior Secured notes	530.8	530.8
Other financial liabilities	23.2	21.3
<b>Total external financial liabilities</b>	<b>624.4</b>	<b>622.1</b>

## Other Financial Information

<i>(€ in millions)</i>	Three months ended March 31,	
	2021	2022
EBITDA <sup>(1)</sup>	16.9	18.9
Non recurring items	5.5	4.4
Adjusted EBITDA <sup>(2)</sup>	22.5	23.4
Adjusted EBITDA margin <sup>(3)</sup>	25.4%	24.8%

(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>	Three months ended March 31,	
	2021	2022
Profit/(loss) for the period	(7.7)	(9.7)
Net finance expense and similar	13.6	14.5
Income taxes	(1.9)	(2.4)
Amortisation, depreciation, provisions and impairments	12.2	14.7
Impairment of receivables	0.7	1.8
<b>EBITDA</b>	<b>16.9</b>	<b>18.9</b>

<i>(€ in millions)</i>	As of December 31,	As of March 31,
	2021	2022
Unrestricted cash <sup>(4)</sup>	67.6	62.3
MOONEY GROUP net senior secured debt <sup>(5)</sup>	533.7	538.5

(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, 2022 AND MARCH 31, 2021**

		For the Three months ended March 31,	
(in Euro thousands)	Notes	2022	2021
Revenues	8	93,746	87,950
<i>of which related parties</i>		7,892	9,552
Other revenues and income		757	689
<i>of which related parties</i>		682	0
<b>Total revenues and income</b>		<b>94,503</b>	<b>88,639</b>
Purchases of materials, consumables and merchandise		678	824
Costs for services		66,242	62,961
<i>of which related parties</i>	17	3,244	4,091
Lease and rent expenses		168	132
Personnel costs		6,908	6,609
<i>of which related parties</i>	17	834	521
Other operating costs		1,595	1,878
Amortisation, depreciation, provisions and impairment losses and reversals		16,495	12,207
<b>Net operating profit (EBIT)</b>		<b>2,417</b>	<b>4,028</b>
Finance income and similar		0	1
Finance expenses and similar	9	14,528	13,636
<i>of which related parties</i>	17	7,688	7,027
<b>Profit (loss) before income taxes</b>		<b>(12,111)</b>	<b>(9,607)</b>
Income taxes		(2,423)	(1,950)
<b>Profit (loss) for the period</b>		<b>(9,688)</b>	<b>(7,657)</b>
Attributable to non-controlling interest		64	34
<b>Attributable to owner of the parent</b>		<b>(9,752)</b>	<b>(7,691)</b>
<b>Other comprehensive income:</b>		0	0
<i>Other comprehensive income that will not be subsequently reclassified to the income statement :</i>			
Remeasurement of defined benefit plans		0	0
Tax effect		0	0
<b>Total comprehensive profit (loss) for the period</b>		<b>(9,688)</b>	<b>(7,657)</b>
Attributable to non-controlling interest		64	34
<b>Attributable to owner of the parent</b>		<b>(9,752)</b>	<b>(7,691)</b>

**MOONEY GROUP S.P.A. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION**  
**AT MARCH 31, 2022 AND DECEMBER 31, 2021**

<i>(in Euro thousands)</i>	<i>Notes</i>	<i>At March 31, 2022</i>	<i>At December 31, 2021</i>
<b>A) NON-CURRENT ASSETS</b>			
Property, Plant and Equipment	10	56,132	58,082
Goodwill	11	534,102	534,102
Intangible assets	10	122,683	123,798
Investments accounted for using the equity method		0	0
Deferred tax assets		0	0
Other non-current assets		717	652
<b>Total non-current assets</b>		<b>713,634</b>	<b>716,635</b>
<b>B) CURRENT ASSETS</b>			
Inventories		7,955	4,809
Trade receivables		82,849	60,376
<i>of which related parties</i>	17	6,170	4,443
Current financial assets		0	0
Taxes receivable		20	20
Restricted bank deposits	12	123,514	98,062
<i>of which related parties</i>		100,394	66,125
Cash and cash equivalents	13	62,282	67,633
<i>of which related parties</i>	17	37,548	43,413
Other current assets		13,084	12,489
<i>of which related parties</i>	17	6,228	5,616
<b>Total current assets</b>		<b>289,704</b>	<b>243,389</b>
<b>TOTAL ASSETS</b>		<b>1,003,338</b>	<b>960,024</b>
<b>A) EQUITY</b>			
Share capital	14	10,050	10,050
Share premium reserve		77,485	77,485
Other reserves		(373,185)	(333,148)
Profit (Loss) for the year		(9,752)	(40,013)
<b>Total equity attributable to owners of the Parent</b>		<b>(295,402)</b>	<b>(285,626)</b>
Equity attributable to non-controlling interests		5,374	5,310
<b>Total equity</b>		<b>(290,028)</b>	<b>(280,316)</b>
<b>B) NON-CURRENT LIABILITIES</b>			
Long-term debt	15	878,969	871,678
<i>of which related parties</i>		349,364	343,207
Provision for employee severance indemnities		7,753	7,579
Deferred tax liabilities		754	3,869
Provisions for risks and charges	16	435	452
Other non-current liabilities		3,047	2,800
<b>Total non-current liabilities</b>		<b>890,958</b>	<b>886,379</b>
<b>C) CURRENT LIABILITIES</b>			
Trade and other payables		214,490	177,344
<i>of which related parties</i>	17	2,694	3,826
Short-term debt	15	69,169	70,392
Current portion of long-term debt	15	6,101	6,137
<i>of which related parties</i>		482	514
Taxation payable		1,076	385
Other current liabilities		111,572	99,703
<i>of which related parties</i>	17	3,570	2,598
<b>Total current liabilities</b>		<b>402,408</b>	<b>353,961</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>1,003,338</b>	<b>960,024</b>

**MOONEY GROUP S.P.A. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS  
FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND MARCH 31, 2021**

<i>(In Euro thousands)</i>	For the three months ended March 31,	
	2022	2021
<b>Profit (loss) for the period before income taxes</b>	<b>(12,111)</b>	<b>(9,607)</b>
Amortization and depreciation	14,664	11,516
Impairment of current receivables	1,832	1,381
Provisions for risks and charges, accruals and employee severance indemnities	279	180
Finance (income) expenses	14,528	13,635
<b>Net cash generated from operating activities before changes in working capital, interest and taxes</b>	<b>19,192</b>	<b>17,105</b>
Changes in trade receivables	(24,306)	(7,224)
Changes in inventories	(3,146)	(457)
Changes in trade payables	17,737	6,854
Change in other assets and liabilities	5,336	5,196
Taxes (paid)/reimbursed	0	0
<b>Net cash generated from operating activities</b>	<b>14,813</b>	<b>21,474</b>
Increase in property, plant and equipment	(3,458)	(2,799)
Increase in intangible assets	(7,819)	(10,513)
(Increase) decrease in other non-current assets	(65)	0
<b>Net cash used in investing activities</b>	<b>(11,342)</b>	<b>(13,312)</b>
decrease in medium-/long-term debt	(469)	(444)
decrease in lease payables	(1,012)	(1,138)
Increase (decrease) in short-term debt	(1,321)	5,860
Net interest paid	(6,020)	(5,820)
<b>Net cash used in financing activities</b>	<b>(8,822)</b>	<b>(1,542)</b>
<b>Net change in cash and cash equivalents</b>	<b>(5,351)</b>	<b>6,620</b>
<b>Net cash at the beginning of the period</b>	<b>67,633</b>	<b>69,102</b>
<b>Net cash at the end of the period</b>	<b>62,282</b>	<b>75,722</b>

**MOONEY GROUP S.P.A.**  
**CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY**  
**FOR THE THREE MONTHS ENDED MARCH 31, 2022 AND MARCH 31, 2021**

<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
<b>Equity at December 31, 2020</b>	<b>10,050</b>	<b>0</b>	<b>77,485</b>	<b>(301,681)</b>	<b>(30,500)</b>	<b>(244,646)</b>	<b>5,286</b>	<b>(239,360)</b>
Prior year result				(30,500)	30,500	0	0	0
Profit/(loss) for the period					(7,691)	(7,691)	34	(7,657)
<b>Total comprehensive profit (loss) for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(30,500)</b>	<b>22,809</b>	<b>(7,691)</b>	<b>34</b>	<b>(7,657)</b>
Dividends paid	0	0	0	0	0	0	0	0
Other movements	0	0	0	0	0	0	0	0
<b>Transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Equity at March 31, 2021</b>	<b>10,050</b>	<b>0</b>	<b>77,485</b>	<b>(332,181)</b>	<b>(7,691)</b>	<b>(252,337)</b>	<b>5,320</b>	<b>(247,017)</b>
<b>Equity at December 31, 2021</b>	<b>10,050</b>	<b>0</b>	<b>77,485</b>	<b>(333,148)</b>	<b>(40,013)</b>	<b>(285,626)</b>	<b>5,310</b>	<b>(280,316)</b>
Prior year result				(40,013)	40,013	0	0	0
Profit/(loss) for the period					(9,752)	(9,752)	64	(9,688)
<b>Total comprehensive profit (loss) for the period</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(40,013)</b>	<b>30,261</b>	<b>(9,752)</b>	<b>64</b>	<b>(9,688)</b>
Dividends paid	0	0	0	0	0	0	0	0
Other movements	0	0	0	(24)	0	(24)	0	(24)
<b>Transactions with shareholders</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>(24)</b>	<b>0</b>	<b>(24)</b>	<b>0</b>	<b>(24)</b>
<b>Equity at March 31, 2022</b>	<b>10,050</b>	<b>0</b>	<b>77,485</b>	<b>(373,185)</b>	<b>(9,752)</b>	<b>(295,402)</b>	<b>5,374</b>	<b>(290,028)</b>

**MOONEY GROUP S.P.A.**  
**NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT AND FOR THE THREE MONTHS**  
**ENDED MARCH 31, 2022**

**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 Schumann Investments S.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 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, 2021 (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 26, 2022.

### 3. Going concern

Net loss for the three months ended March 31, 2022 amounted to Euro 9,688 thousand (Euro 7,657 thousand for the three months ended March 31, 2021; at March 31, 2022 the consolidated equity was negative for Euro 290,028 thousand (Euro 280,316 thousand at December 31, 2021) and net working capital at March 31, 2022 was negative for Euro 99,716 thousand (Euro 101,676 thousand at December 31, 2021).

The loss for the period is mainly related to charges related to the financial structure of the Group and to non-recurring/extraordinary items for total Euro 18,977 thousand; on top it should be considered also the Covid 19 impact, which has been still affecting in the first three months 2022 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 first parties at March 31, 2022 and at December 31, 2021:

<i>(In Euro thousands)</i> <i>(Percentage computed on total debt and equity)</i>	<b>At March 31, 2022</b>	<b>%</b>	<b>At December 31, 2021</b>	<b>%</b>
Long term debt	529,605		528,471	
Short-term debt and current portion of long-term debt	75,270		76,529	
<b>Funding from third parties</b>	<b>604,875</b>	<b>91.1%</b>	<b>605,000</b>	<b>90.6%</b>
Shareholder Loan	349,364		343,207	
<b>Funding from shareholders</b>	<b>349,364</b>	<b>52.6%</b>	<b>343,207</b>	<b>51.4%</b>
<b>Equity</b>	<b>(290,028)</b>	<b>-43.7%</b>	<b>(280,316)</b>	<b>-42.0%</b>
<b>Total debt and equity</b>	<b>664,211</b>	<b>100.0%</b>	<b>667,891</b>	<b>100.0%</b>

As at March 31, 2022 the Short-term debt includes the drawdown of the Super Senior Revolving Facility for Euro 70,000 thousand, decreased for Euro 500 thousand compared to the draw down at the end of December 2021.

It is noted that Loans from related parties include around Euro 122.2 million relating to loan from the majority shareholder Schumann Investments S.A. (which took over the loan in November from Sisal S.p.A. at the same time of the demerger of the company) and around Euro 227.2 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 first parties.

The macroeconomic scenario for the current year, reflected in the 2022 Budget approved by the Group last March, is less favourable than expected only a few months ago due to the combined effect of some global events, such as the persistence of the pandemic scenario also following the emergence of new variants, the unexpected geopolitical crisis following the Russian invasion of Ukraine, the worsening of tensions on the energy sources supply markets and the correlated inflationary shock that now characterizes all major world economies.

It is believed that these events will also have an impact on the reference markets of the Group which are still expected to grow but at a lower rate compared to original expectations and equal to approximately 3%. It is also expected that there may be difficulties at the level of the distribution network, with an increase in the numbers relating to closures and greater difficulties in contracting and launching of new points of sale.

Nevertheless, the attraction of the payment proximity market in which the Group mainly operates is expected to increase, thanks also to an increase in the offer of products and services, an increase in the level of specialization of the distribution network, and also as a consequence of competition among the various operators.

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 2022 and adopted for the first time.

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

Since January 2022, the following accounting standards, amendments and interpretations have been endorsed by the European Union and adopted by the Group:

- Amendments to IFRS 3 Business Combination
- Amendments to IAS 16 Property, plant and equipment
- Amendments to IAS 37 Provisions, contingent liabilities and contingent assets

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.

- IFRS 17 Insurance Contracts;
- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current;
- 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: Deferred Tax related to Assets and Liabilities arising from a Single Transaction

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 March 31, 2022, 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, 2022, these facilities were partially drawn down for Euro 70.0 million as cash utilization and Euro 2.5 million as guarantee letter of credit.



## 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, 2022 and December 31, 2021 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:

	For the three months ended March 31,	
<i>(in Euro thousands)</i>	2022	2021
Payments and other services	78,854	73,176
Merchant services and others	15,649	15,463
<b>Total</b>	<b>94,503</b>	<b>88,639</b>

The Payments and other services revenues are analyzed as follows:

	For the three months ended March 31,	
<i>(in Euro thousands)</i>	2022	2021
Bill Payments revenues	54,254	50,944
Prepaid cards revenues	7,644	5,960
Telco revenues	6,123	6,598
Banking products	6,062	4,894
Mobility revenues	2,628	2,701
Other products revenues	2,143	2,079
<b>Total</b>	<b>78,854</b>	<b>73,176</b>

## 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>	2022	2021
Interest and other finance expenses - related parties	7,688	7,027
Interest and other finance expenses - third parties	6,840	6,609
<b>Total</b>	<b>14,528</b>	<b>13,636</b>

## 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
<b>three months March 31, 2022</b>		
Opening net book amount as at January 1, 2022	58,082	123,798
Acquisitions of subsidiaries/businesses	0	0
Increases	3,779	7,820
Depreciation, amortisation and impairment	(5,729)	(8,935)
<b>Closing net book amount as at March 31, 2022</b>	<b>56,132</b>	<b>122,683</b>

## 11. Goodwill

<i>(in thousands of Euros)</i>	At March 31, 2022	At December 31, 2021
At the beginning of the period	534,102	534,102
<b>At the end of the period</b>	<b>534,102</b>	<b>534,102</b>

## 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. The increase in the balance compared to December 31, 2021 is driven by restricted cash related to business partners payment services, mainly in relation to the different cut-off dates between the two periods.

## 13. Cash and cash equivalents

Cash and cash equivalents at March 31, 2022 and December 31, 2021 are as follows

<i>(in Euro thousands)</i>	At March 31, 2022	At December 31, 2021
Bank and postal accounts	62,278	67,628
Cash and cash equivalents in hand	4	5
<b>Total</b>	<b>62,282</b>	<b>67,633</b>

## 14. Share capital

At March 31, 2022 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, 2021.

## 15. Borrowings and loans

The table sets forth an analysis of Borrowings and loans:

<i>(in Euro thousands)</i>	At March 31, 2022	At December 31, 2021
<b>Senior Revolving and ancillary facilities</b>	<b>68,320</b>	<b>68,722</b>
<b>Senior Secured Notes</b>	<b>515,304</b>	<b>514,585</b>
<b>Loans from shareholders</b>	<b>349,364</b>	<b>341,676</b>
Loans from other banks	2,783	4,072
Payable to other lenders - leasing contracts	18,469	19,152
<b>Other loans from third parties</b>	<b>21,252</b>	<b>23,224</b>
<b>Total</b>	<b>954,239</b>	<b>948,207</b>
<i>of which current</i>	<i>75,270</i>	<i>76,529</i>
<i>of which non-current</i>	<i>878,969</i>	<i>871,678</i>

Movements in borrowings are analyzed as follows:

<i>(in Euro thousands)</i>	Three months ended March 31,	
	2022	2021
<b>Opening amount as at January 1</b>	<b>948,207</b>	<b>902,268</b>
New borrowings	0	6,000
Change in IFRS 16 net financial liability	(683)	501
Net accrued interest and amortized	8,504	7,838
Repayments of borrowings	1,789	584
<b>Closing amount as at March 31</b>	<b>954,239</b>	<b>916,023</b>

At March 31, 2022, the market price of the senior secured notes was a total of Euro 531.4 million compared to a face total value of Euro 530 million, slightly decreasing compared to market price at the end of December 2021.

#### 16. Provisions for risks and charges

There were no significant movements in the provisions for risks and charges in the first three months 2022.

#### 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 and with 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 March 31, 2022 it is noted the trade receivable for about Euro 6.2 million, related to the turnover collection managed mainly by Banca 5 S.p.A. and residually by Sisal 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 137.9 million.

Related party revenues, amounting to Euro 7.9 million for the three months ended March 31, 2022, 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 3,244 thousand in the three months ended March 31, 2022, are related for Euro 299 thousand to compensation for executives who are also Company directors and for Euro 2.945 thousands mainly 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 697 thousand in the three months ended March 31, 2022, are reported under Personnel costs.

#### 18. Significant non-recurring events and transactions

During the three months ended March 31, 2022, the Group recognized about €4.4 million net non-recurring expenses/extraordinary items, 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 6.8 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 the first months of 2022 the subsidiary Mooney S.p.A. completed the preparatory activities for a further transfer of a business branch relating to payment services by the shareholder Banca 5 S.p.A.; this transfer has been finalized at the end of April, as soon as the requested authorization from the Bank of Italy was received and few days after the Parent Company took over from the shareholder the interest acquired following the transfer on the basis of a value equal to Euro 23.5 million, by underwriting a debit note of the same amount and at similar conditions (full subordinated to SSFRN) to those relating to the debt instruments already in place towards the shareholders.