

Condensed interim consolidated financial statements

At and for the nine months
period ended September 30,
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

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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 Closing in the last month of July of the sale by the previous parent company Schumann Investments SA of its shareholding to the current shareholder Banca 5 S.p.A. and to new shareholder Enel X S.r.l., which is part of the ENEL group, based on an enterprise value of Mooney of approx. €1.4 billion, is currently joint controlled by the two shareholders, each owing 50% of the capital stock of the Group.

Key Factors affecting operations in the nine months ended September 30, 2022

In the third quarter 2022, the Italian GDP was estimated to be up 2.6%¹ compared to the same period of last year and the carry-over annual GDP growth estimate for 2022 is equal to 3.9%.

In spite of Covid 19 emergency still in progress and Russia-Ukraine crisis, in the first nine months 2022, the Group recorded €10.7 billion turnover, down 5.1% compared to the same period of last year.

Covid-19 pandemic and also the CPI trend following the energy shock impacted the general economic environment in which the Group operates in the first nine months 2022.

Despite this, Mooney is continuing to deliver an impressive positive performance with 9M Revenues up 16% and adjusted EBITDA up 7% compared to Prior Year.

In the month of April 2022 the transfer of a new business branch relating to payment services by the shareholder Banca 5 S.p.A has been finalized, 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.

¹ Istat data

Moreover, few days after the above mentioned Closing, in line with the signed agreements, Mooney Group S.p.A. purchased the 100% of the equity of several companies previously controlled by Enel X S.r.l. for a total consideration of €140 million; these acquisitions were fully financed by underwriting a new debit note of the same amount and at similar conditions to those relating to the debt instruments already in place towards the shareholders. At the same time Enel X sold part of the new DPP note to Banca 5, so that both the two shareholders are currently owing the same receivable amount, and starting from July 25, 2022 it was agreed between the involved parties that all the DPP notes in place will accrue annual interest at a rate of 8.5%.

Full P&L results

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

<i>(€ in millions)</i>	Nine months ended September 30,				
	2021	% of total revenues and income	2022	% of total revenues and income	% change 2021-2022
Revenues	256.4	99.2%	299.3	99.9%	16.7%
Other revenues and income	2.1	0.8%	0.3	0.1%	(85.7%)
Total revenues and income	258.5	100.0%	299.6	100.0%	15.9%
Purchases of materials, consumables and merchandise	2.4	0.9%	2.1	0.7%	(12.5%)
Costs for services	177.3	68.6%	202.0	67.4%	13.9%
Lease and rent expenses	0.5	0.2%	0.8	0.3%	60.0%
Personnel costs	19.5	7.5%	25.9	8.6%	32.8%
Other operating costs	5.0	1.9%	9.5	3.2%	90.0%
Amortization, depreciation, provisions and impairment losses and reversals	44.7	17.3%	60.0	20.0%	34.2%
Net operating profit (EBIT)	9.1	3.5%	(0.8)	(0.3%)	(108.8%)
Finance income and similar	-	0.0%	-	0.0%	n.a
Finance expenses and similar	41.6	16.1%	47.0	15.7%	13.0%
Profit (loss) before income taxes	(32.5)	(12.6%)	(47.8)	(16.0%)	(47.1%)
Income taxes	(8.3)	(3.2%)	(11.0)	(3.7%)	32.5%
Total profit (loss) for the period	(24.2)	(9.4%)	(36.8)	(12.3%)	(52.1%)

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>	Nine months ended September 30,				Change	
	2021	% of total revenues and income	2022	% of total revenues and income	(amount)	%
Payments and other services revenues	211.2	81.7%	241.6	80.6%	30.4	14.4%
Merchant services and others	47.3	18.3%	58.0	19.4%	10.7	22.6%
Total	258.5	100.0%	299.6	100.0%	41.1	15.9%

Revenues and income, amounted to €299.6 million for the nine months ended September 30, 2022, a significant increase of €41.1 million, or 15.9%, compared to €258.5 million for the nine months ended September 30, 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 driven by increase of both Payments and other services revenues and Merchant services and others. As a percentage of Total revenues and income, Payments and other services revenues amounted to 80.6% for the nine months ended September 30, 2022, while Merchant services and others revenues amounted to 19.4%, compared to respectively 81.7% and 18.3% for the nine months ended September 30, 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>	Nine months ended September 30,				Change	
	2021	% of total revenues and income	2022	% of total revenues and income	(amount)	%
Bill Payments revenues	140.6	54.4%	153.5	51.2%	12.9	9.2%
Prepaid cards revenues	18.1	7.0%	24.3	8.1%	6.2	34.1%
Telco revenues	19.5	7.6%	17.6	5.9%	(1.9)	(9.6%)
Banking products and services revenues	18.9	7.3%	18.5	6.2%	(0.4)	(2.3%)
Mobility revenues	8.3	3.2%	8.8	2.9%	0.5	6.5%
Other products revenues	5.9	2.3%	6.0	2.0%	0.1	2.2%
Enel X	-	0.0%	12.8	4.3%	12.8	n.a.
Total	211.2	81.7%	241.6	80.6%	30.4	14.4%

The overall Payments and other services revenues amounted to €241.6 million for the nine months ended September 30, 2022, an increase of €30.4 million, or 14.4%, compared to €211.2 million for the nine months ended September 30, 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
- Enel X revenues: related to the new acquired companies previously controlled by the Enel X S.r.l. and mainly related to Bill Payments segment

Payments and other services revenues results are driven by the performance of most of the business lines (and in particular by bill payments and prepaid cards) while Telco gross revenues is declining compared to prior year (but net of network remuneration Telco revenue decrease is of half magnitude) and banking revenues is recording for the first time a slight decrease compared to prior year result, mainly due to the introduction of sales procedures (requested by local regulators) which impacted the user experience of Withdrawals and F24 (tax bill) payment products.

Costs

Purchases of materials, consumables and merchandise

Purchases of materials, consumables and merchandise amounted to €2.1 million for the nine months ended September 30, 2022, a decrease of €0.3 million, or 12.5%, compared to €2.4 million for the nine months ended September 30, 2021, mainly related to lower consumption of spare parts and terminal paper rolls.

Costs for services

Costs for services amounted to €202.0 million for the nine months ended September 30, 2022, an increase of €24.7 million, or 13.9%, compared to €177.3 million for the nine months ended September 30, 2021.

Costs for services amounted to 67.4% of total revenues and income for the nine months ended September 30, 2022, compared to 68.6% of total revenues and income for the nine months ended September 30, 2021.

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

(€ in millions)	Nine months ended September 30,				Change	
	2021	% of total revenues and income	2022	% of total revenues and income	(amount)	%
Sales channel - payments services	126.2	48.8%	136.0	45.4%	9.8	7.7%
Commercial services	6.5	2.5%	7.2	2.4%	0.7	10.7%
Consulting	5.8	2.2%	7.6	2.5%	1.8	31.2%
Others services costs	38.8	15.0%	51.2	17.1%	12.4	31.8%
Total cost for services	177.3	68.6%	202.0	67.4%	24.7	13.9%

- *Sales channel – payments services* amounting to €136.0 million for the nine months ended September 30, 2022, an increase of €9.8 million, or 7.7%, compared to €126.2 million for the nine months ended September 30, 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 45.4% for the nine months ended September 30, 2022 and to 48.8% for the nine months ended September 30, 2021.
- *Commercial services* amounting to €7.2 million for the nine months ended September 30, 2022, an increase of €0.7 million, or 10.7%, compared to €6.5 million for the nine months ended September 30, 2021. As a percentage of Total revenues and income, Commercial services amounted to 2.4% for the nine months ended September 30, 2022 and to 2.5% for the nine months ended September 30, 2021. This cost item is mainly related to marketing, advertising and sponsorships and residually to other commercial initiatives and the increase compared to the prior year is driven by the costs related to the 2022 promotion campaign of the new VR46 branded prepaid card more the offsetting the higher promotion costs in the first nine months 2021 to support the launch of the new Mooney prepaid card.
- *Consulting* amounting to €7.6 million for the nine months ended September 30, 2022, an increase of €1.8 million, or 31.2%, compared to €5.8 million for the nine months ended September 30, 2021. As a percentage of Total revenues and income, Consulting amounted to 2.5% for the nine months ended September 30, 2022, compared to 2.2% for the nine months ended September 30, 2021.
- *Other services costs* amounting to €51.2 million for the nine months ended September 30, 2022, an increase of €12.4 million, or 31.8%, compared to €38.8 million for the nine months related to September 30, 2021. As a percentage of Total revenues and income, Other services costs amounted to 17.1% for the nine months ended September 30, 2022 and to 15.0% for the nine months ended September 30, 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 €25.9 million for the nine months ended September 30, 2022, an increase of €6.4 million, or 32.8%, compared to €19.5 million for the nine months ended September 30, 2021. As a percentage of total revenues and income, Personnel costs amounted to 8.6% for the nine months ended September 30, 2022 and 7.5% for the nine months ended September 30, 2021. Our average workforce, expressed in full time equivalents, reached 675 for the nine months ended September 30, 2022, an increase of 94 from 581 for the nine months ended September 30, 2021. The increase in Personnel costs is driven by full time equivalents trend and also by extraordinary costs related to July deal closing.

Other operating costs

Other operating costs amounted to €9.5 million for the nine months ended September 30, 2022, an increase of €4.5 million, or 90.0%, compared to €5.0 million for the nine months ended September 30, 2021, mainly driven by the increase in non-recoverable VAT cost, due to the exit from the Sisal VAT Group on the July Closing date. As a percentage of Total revenues and income, Other operating costs amounted to 2.8% for the nine months ended September 30, 2022 and to 2.1% for the nine months ended September 30, 2021.

Amortization, depreciation, provisions and impairment losses and reversals

Amortization, depreciation, provisions and impairment losses and reversals amounted to €60.0 million for the nine months ended September 30, 2022, an increase of €15.3 million, or 34.2%, compared to €44.7 million for the nine months ended September 30, 2021. As a percentage of total revenues and income, Amortization, depreciation, provisions and impairment losses and reversals amounted to 20.0% for the nine months ended September 30, 2022 and to 17.3% for the nine months ended September 30, 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 -€0.8 million for the nine months ended September 30, 2022, compared to €9.1 million for the nine months ended September 30, 2021.

Net margin was -0.3% for the nine months ended September 30, 2022, compared to 3.5% for the first nine months ended September 30, 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 €47.0 million for the nine months ended September 30, 2022, an increase of €5.4 million, or 13.0%, compared to €41.6 million for the nine months ended September 30, 2021. As a percentage of Total revenues and income, Finance expenses and similar amounted to 15.7% for the nine months ended September 30, 2022 and 2021 and to 16.1% for the nine months ended September 30, 2021. Finance expenses and similar are almost equally referred to related parties (Enel X S.r.l. and Banca 5 S.p.A., mainly in connection with the deferred payments agreements subscribed by the Company at the end of 2019 and during the first nine months 2022) and to third parties (mainly represented by the senior secured notes holders).

Income taxes

Income taxes amounted to €-11.0 million for the nine months ended September 30, 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 cash absorbed in the first nine months 2022 is substantially in line with the performance of the first nine months 2021 and is mainly related to the cash absorbed by movements in trade working capital, driven in particular by impact on the cut-off of bill payments through PagoPA infrastructure.

<i>(€ in millions)</i>	Nine months ended September 30,	
	2021	2022
Movements in trade receivables	(43.9)	(68.9)
Movements in inventories	(0.7)	(1.1)
Movements in trade payables	11.1	28.7
Movements in trade working capital	(33.5)	(41.3)
Movements in other assets and liabilities	1.3	8.4
Total movements in working capital	(32.3)	(32.9)

Cash flows

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

<i>(€ in millions)</i>	Nine months ended September 30,	
	2021	2022
Cash provided by operations before changes in working capital, interest and taxes	55.4	60.1
Tax paid	(1.7)	(1.0)
Changes in working capital	(32.3)	(32.9)
Cash flows provided by (used in) operating activities	21.5	26.2
Cash flows provided by (used in) investing activities	(28.0)	(16.5)
Cash flows provided by (used in) financing activities	(13.8)	(4.8)
Increase/(Decrease) in cash and cash equivalents	(20.3)	4.9
Net cash at the beginning of the period	69.1	67.6
Net cash at the end of the period	48.8	72.5

Cash provided by operating activities amounted to €26.2 million for the nine months ended September 30, 2022, compared to Cash provided by operating activities amounting to €21.5 million for the nine months ended September 30, 2021. The movement is mainly driven by the trend in the cash provided by operations before changes in working capital, interest and taxes that was up approx. €4.7 million.

Cash flows used in investing activities amounted to €16.5 million for the nine months ended September 30, 2022, compared to €28.0 million for the nine months ended September 30, 2021, mainly due to cash available on the balance sheet of the companies acquired in the month of July 2022 which more than offset higher investments in tangible assets.

Cash flows used by financing activities amounted to €4.8 million for the nine months ended September 30, 2022, compared to Cash flows used by financing activities of €13.8 million for the nine months ended September 30, 2021. The cash flows related to financing activities for both the nine months ended September 30, 2022 and September 30, 2021 included net interest and related expenses payments for respectively €18.4 million and €17.9 million. In addition, 2022 cash flows include net usage of revolving facilities for €16.8 million, compared to net usage of revolving facilities for €9.0 million for the nine months ended September 30, 2021. In the nine months ended September 30, 2022 are also reflected repayments for about €3.1 million of financial liabilities accounted for in application of the accounting standard IFRS 16, almost 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 September 30, 2022. Subordinated shareholders loans are not included:

<i>(€ in millions)</i>	As of December 31,	As of September 30,
	2021	2022
Senior revolving Facility	70.5	88.0
Senior Secured notes	530.8	530.8
Other financial liabilities	23.2	23.7
Total external financial liabilities	624.4	642.4

Other Financial Information

<i>(€ in millions)</i>	Nine months ended September 30,	
	2021	2022
EBITDA ⁽¹⁾	54.9	59.2
Non recurring items	14.2	15.0
Adjusted EBITDA ⁽²⁾	69.1	74.2
Adjusted EBITDA margin ⁽³⁾	26.7%	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>	Nine months ended September 30,	
	2021	2022
Profit/(loss) for the period	(24.2)	(36.8)
Net finance expense and similar	41.6	47.0
Income taxes	(8.3)	(11.0)
Amortisation, depreciation, provisions and impairments	40.4	50.8
Impairment of receivables	5.4	9.2
EBITDA	54.9	59.2

<i>(€ in millions)</i>	As of December 31,	As of September 30,
	2021	2022
Unrestricted cash ⁽⁴⁾	67.6	72.5
MOONEY GROUP net senior secured debt ⁽⁵⁾	533.7	546.2

- (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 NINE MONTHS ENDED SEPTEMBER 30, 2022 AND SEPTEMBER 30, 2021

<i>(in Euro thousands)</i>	<i>Notes</i>	For the nine months ended September 30,		For the three months ended September 30,	
		2022	2021	2022	2021
Revenues	8	299,251	256,415	106,870	84,598
<i>of which related parties</i>		13,260	22,187	6,452	5,914
Other revenues and income		302	2,119	(56)	491
<i>of which related parties</i>		0	1,625	0	375
Total revenues and income		299,553	258,534	106,814	85,089
Purchases of materials, consumables and merchandise		2,123	2,404	807	840
Costs for services		201,995	177,266	72,300	56,851
<i>of which related parties</i>	17	7,549	8,534	1,920	1,371
Lease and rent expenses		820	536	542	224
<i>of which related parties</i>	17	18	0	18	0
Personnel costs		25,876	19,532	12,247	6,163
<i>of which related parties</i>	17	3,405	1,922	1,909	880
Other operating costs		9,524	5,026	4,223	1,284
Amortisation, depreciation, provisions and impairment losses and reversals		60,020	44,688	21,500	17,245
Net operating profit (EBIT)		(806)	9,082	(4,805)	2,482
Finance income and similar		14	37	14	0
Finance expenses and similar	9	47,023	41,575	17,569	14,074
<i>of which related parties</i>	17	26,568	21,867	10,477	7,376
Profit (loss) before income taxes		(47,816)	(32,456)	(22,360)	(11,592)
Income taxes		(10,972)	(8,261)	(5,561)	(2,868)
Profit (loss) for the period		(36,844)	(24,195)	(16,799)	(8,724)
Attributable to non-controlling interest		(196)	189	(21)	(67)
Attributable to owner of the parent		(36,648)	(24,384)	(16,778)	(8,657)
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		(36,844)	(24,195)	(16,799)	(8,724)
Attributable to non-controlling interest		(196)	189	(21)	(67)
Attributable to owner of the parent		(36,648)	(24,384)	(16,778)	(8,657)

MOONEY GROUP S.P.A. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT SEPTEMBER 30, 2022 AND DECEMBER 31, 2021

<i>(in Euro thousands)</i>	<i>Notes</i>	<i>At September 30, 2022</i>	<i>At December 31, 2021</i>
A) NON-CURRENT ASSETS			
Property, Plant and Equipment	10	53,809	58,082
Goodwill	11	675,398	534,102
Intangible assets	10	129,381	123,798
Investments accounted for using the equity method		0	0
Deferred tax assets		15,320	0
Other non-current assets		5,309	2,351
Total non-current assets		879,216	718,334
B) CURRENT ASSETS			
Inventories		6,075	4,809
Trade receivables		123,158	60,376
<i>of which related parties</i>	17	6,111	4,443
Current financial assets		0	0
Taxes receivable		200	20
Restricted bank deposits	12	211,175	98,062
<i>of which related parties</i>		150,491	66,125
Cash and cash equivalents	13	72,545	67,633
<i>of which related parties</i>	17	41,922	43,413
Other current assets		11,779	10,790
<i>of which related parties</i>	17	362	5,616
Total current assets		424,932	241,690
TOTAL ASSETS		1,304,148	960,024
A) EQUITY			
Share capital	14	10,050	10,050
Share premium reserve		77,485	77,485
Other reserves		(370,908)	(333,148)
Profit (Loss) for the year		(36,648)	(40,013)
Total equity attributable to owners of the Parent		(320,021)	(285,626)
Equity attributable to non-controlling interests		2,980	5,310
Total equity		(317,041)	(280,316)
B) NON-CURRENT LIABILITIES			
Long-term debt	15	1,063,738	871,678
<i>of which related parties</i>		531,537	343,207
Provision for employee severance indemnities		9,734	7,579
Deferred tax liabilities		0	3,869
Provisions for risks and charges	16	507	452
Other non-current liabilities		3,533	2,800
Total non-current liabilities		1,077,513	886,379
C) CURRENT LIABILITIES			
Trade and other payables		222,760	177,344
<i>of which related parties</i>	17	16,003	3,826
Short-term debt	15	87,504	70,392
<i>of which related parties</i>		28,554	22,666
Current portion of long-term debt	15	6,838	6,137
<i>of which related parties</i>		128	514
Taxation payable		2,374	385
Other current liabilities		224,202	99,703
<i>of which related parties</i>	17	155	2,598
Total current liabilities		543,677	353,961
TOTAL LIABILITIES AND EQUITY		1,304,148	960,024

**MOONEY GROUP S.P.A. CONDENSED CONSOLIDATED STATEMENT OF CASH FLOWS
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022 AND SEPTEMBER 30, 2021**

<i>(In Euro thousands)</i>	For the nine months ended September 30,	
	2022	2021
Profit (loss) for the period before income taxes	(47,816)	(32,456)
Amortization and depreciation	50,773	40,450
Impairment of current receivables	9,156	5,352
Provisions for risks and charges, accruals and employee severance indemnities	975	540
Finance (income) expenses	47,009	41,538
Net cash generated from operating activities before changes in working capital, interest and taxes	60,097	55,424
Changes in trade receivables	(68,905)	(43,916)
Changes in inventories	(1,123)	(683)
Changes in trade payables	28,682	11,078
Change in other assets and liabilities	8,440	1,264
Taxes (paid)/reimbursed	(971)	(1,679)
Net cash generated from operating activities	26,220	21,488
Increase in property, plant and equipment	(8,814)	(5,065)
Increase in intangible assets	(25,327)	(24,571)
(increase) decrease in investments	0	0
(Increase) decrease in other non-current assets	0	1,674
Acquisitions (net of cash)	17,645	0
Minority interests acquisition	0	0
Net cash used in investing activities	(16,496)	(27,962)
decrease in medium-/long-term debt	(628)	(1,404)
decrease in lease payables	(3,139)	(3,433)
Increase (decrease) in short-term debt	16,804	8,967
(Increase) decrease share capital controlling interests	(5,163)	0
Shareholders contribution	5,305	0
Net interest paid	(18,421)	(17,947)
Net cash used in financing activities	(4,812)	(13,817)
Net change in cash and cash equivalents	4,912	(20,291)
Net cash at the beginning of the period	67,633	69,102
Net cash at the end of the period	72,545	48,811

MOONEY GROUP S.P.A.
CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2022 AND SEPTEMBER 30, 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
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					(24,384)	(24,384)	189	(24,195)
Total comprehensive profit (loss) for the period	0	0	0	(30,500)	6,116	(24,384)	189	(24,195)
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 September 30, 2021	10,050	0	77,485	(332,181)	(24,384)	(269,030)	5,475	(263,555)
Equity at December 31, 2021	10,050	0	77,485	(333,148)	(40,013)	(285,626)	5,310	(280,316)
Prior year result				(40,013)	40,013	0	0	0
Profit/(loss) for the period					(36,648)	(36,648)	(196)	(36,844)
Total comprehensive profit (loss) for the period	0	0	0	(40,013)	3,365	(36,648)	(196)	(36,844)
Pluservice Group first call option	0	0	0	(3,029)	0	(3,029)	(2,134)	(5,163)
Shareholders equity contribution	0	0	0	5,305	0	5,305	0	5,305
Transactions with shareholders	0	0	0	2,276	0	2,276	(2,134)	142
Other movements	0	0	0	(23)	0	(23)	0	(23)
Equity at September 30, 2022	10,050	0	77,485	(370,908)	(36,648)	(320,021)	2,980	(317,041)

MOONEY GROUP S.P.A.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT AND FOR THE NINE MONTHS
ENDED SEPTEMBER 30, 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 as of September 30, 2022 Enel X S.p.A. and Banca 5 S.p.A., both owing 50% of the capital stock of the Company.

2. Basis of preparation

Background

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

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

As a consequence of this reorganization, starting from December 2019, all the activities referred to payment services are therefore under the management of the Company which wholly controls Mooney Servizi S.p.A. and Mooney S.p.A. (the latter is an electronic money institution subject to Bank of Italy supervision). The company names based on the word Mooney, an evocative neologism in line with the new values, strategy and positioning of the Group, were adopted by the Parent Company (former SisalPay Group S.p.A.) and by its subsidiaries in April 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 November 24, 2022.

3. Going concern

Net loss for the nine months ended September 30, 2022 amounted to Euro 36,844 thousand (Euro 24,195 thousand for the nine months ended September 30, 2021); at September 30, 2022 the consolidated equity was negative for Euro 317,041 thousand (Euro 280,316 thousand at December 31, 2021) and net working capital at September 30, 2022 was negative for Euro 96,949 thousand (Euro 103,375 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 61,977 thousand; on top it should be considered also the Covid 19 impact and the overall weak economic environment, which has been affecting in the first nine months 2022 the Group performance.

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 September 30, 2022 and at December 31, 2021:

<i>(In Euro thousands)</i> <i>(Percentage computed on total debt and equity)</i>	At September 30, 2022	%	At December 31, 2021	%
Long term debt	532,201		528,471	
Short-term debt and current portion of long-term debt	94,341		76,529	
Funding from third parties	626,542	74.5%	605,000	90.6%
Shareholder Loan	531,537		343,207	
Funding from shareholders	531,537	63.2%	343,207	51.4%
Equity	(317,041)	-37.7%	(280,316)	-42.0%
Total debt and equity	841,039	100.0%	667,891	100.0%

As at September 30, 2022 the Short-term debt includes the drawdown of the Super Senior Revolving Facility for Euro 88,000 thousand, increased for Euro 17,500 thousand compared to the draw down at the end of December 2021.

It is noted that Loans from related parties include around Euro 531.1 million relating to loans from both the two the shareholders (owing the same amount), arising for Euro 364.7 million from the acquisition by the Company of the investments held by the two original shareholders in Mooney S.p.A (former SisalPay S.p.A) and in Mooney Servizi S.p.A. (former SisalPay Servizi S.p.A.) following the contribution of business segments to the latters, for Euro 24.2 million following the transfer at the end of April 2022 of a further business branch relating to payment services by the shareholder Banca 5 S.p.A, and for Euro 142.2 million following the purchase of the 100% of the equity of several companies previously controlled by the new shareholder Enel X S.r.l.. Starting from July 25, 2022 it was agreed between the involved parties that all the Deferred Purchase Price notes in place will accrue annual interest at a rate of 8.5%.

The macroeconomic scenario for the current year, reflected in the 2022 Budget approved by the Group last March, is less favourable than expected only at the end of year 2021 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 is now heavily impacting 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%.

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 solid 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. In addition, in the last month of June, the system of second-level controls was strengthened with the inclusion of a coordinator person of from the AML, Risk and Compliance functions.

Liquidity risk

At September 30, 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 September 30, 2022, these facilities were partially drawn down for Euro 88.0 million as cash utilization and Euro 2.5 million as guarantee letter of credit which has been deleted in the following month.

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 September 30, 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:

<i>(in Euro thousands)</i>	For the nine months ended September 30,		For the three months ended September 30,	
	2022	2021	2022	2021
Payments and other services	241,556	211,212	87,252	69,176
Merchant services and others	57,997	47,322	19,562	15,913
Total	299,553	258,534	106,814	85,089

The Payments and other services revenues are analyzed as follows:

<i>(in Euro thousands)</i>	For the nine months ended September 30,		For the three months ended September 30,	
	2022	2021	2022	2021
Bill Payments revenues	153,509	140,567	48,822	45,543
Prepaid cards revenues	24,326	18,067	9,114	5,952
Telco revenues	17,646	19,525	5,697	6,512
Banking products	18,529	18,862	5,663	6,664
Mobility revenues	8,791	8,255	3,264	2,687
Other products revenues	5,967	5,936	1,904	1,818
Enel X	12,788	0	12,788	0
Total	241,556	211,212	87,252	69,176

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 nine months ended September 30,		For the three months ended September 30,	
	2022	2021	2022	2021
Interest and other finance expenses - related parties	26,568	21,867	10,477	7,376
Interest and other finance expenses - third parties	20,455	19,708	7,092	6,698
Total	47,023	41,575	17,569	14,074

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
nine months September 30, 2022		
Opening net book amount as at January 1, 2022	58,082	123,798
Acquisitions of subsidiaries/businesses	2,985	12,412
Increases	11,359	25,327
Depreciation, amortisation and impairment	(18,617)	(32,156)
Closing net book amount as at September 30, 2022	53,809	129,381

11. Goodwill

<i>(in thousands of Euros)</i>	At September 30, 2022	At December 31, 2021
At the beginning of the period	534,102	534,102
Acquisitions of subsidiaries/businesses	141,296	0
At the end of the period	675,398	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. and by the other financial institutions previously owned by Enel X S.r.l.. The increase in the balance compared to December 31, 2021 is mainly driven by restricted cash related to prepaid cards and payment accounts balances.

13. Cash and cash equivalents

Cash and cash equivalents at September 30, 2022 and December 31, 2021 are as follows

<i>(in Euro thousands)</i>	At September 30, 2022	At December 31, 2021
Bank and postal accounts	72,538	67,628
Cash and cash equivalents in hand	7	5
Total	72,545	67,633

14. Share capital and reserves

At September 30, 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 following table sets forth an analysis of Borrowings and loans:

<i>(in Euro thousands)</i>	At September 30, 2022	At December 31, 2021
Senior Revolving and ancillary facilities	86,530	68,722
Senior Secured Notes	516,768	514,585
Loans from shareholders	531,119	341,676
Loans from other banks	3,178	4,072
Payable to other lenders - leasing contracts	20,484	19,152
Other loans from third parties	23,662	23,224
Total	1,158,079	948,207
<i>of which current</i>	94,341	76,529
<i>of which non-current</i>	1,063,738	871,678

Movements in borrowings are analyzed as follows:

<i>(in Euro thousands)</i>	Nine months ended September 30,	
	2022	2021
Opening amount as at January 1	948,207	902,268
Acquisition of subsidiary	0	0
New borrowings	181,430	8,967
Change in IFRS 16 net financial liability	1,332	7,091
Net accrued interest and amortized	28,434	23,664
Repayments of borrowings	1,324	1,405
Closing amount as at September 30	1,158,079	940,585

At September 30, 2022, the market price of the senior secured notes was a total of Euro 496.4 million compared to a face total value of Euro 530 million, as consequence of the ongoing tensions on the financial markets which are impacting the prices of both bonds and stock markets.

16. Provisions for risks and charges

There were no significant movements in the provisions for risks and charges in the first nine 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. and also with some entities part of the new shareholders Group.

With regard to financial transactions, we already commented the debt related to the deferred purchase price agreements signed at the end of 2019 and more recently in Q2 and Q3 2022; in addition, at September 30, 2022 it is noted the trade receivable for about Euro 6.1 million, related to the fees matured by Mooney in particular on withdrawal and bank transfer services offered to Intesa Sanpaolo customers and cashless turnover receivable from Banca 5 S.p.A. Moreover 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 192.4 million and that Euro 28.3 million short term financing are related to commitments by Intesa Sanpaolo S.p.A. referred to the Super Senior Revolving Facility.

Related party revenues, amounting to Euro 13.3 million for the nine months ended September 30, 2022, are mainly related to income originating from transaction referred to non-contributed products whose ownership has been retained by Banca 5 S.p.A. for most of the reported period.

Related party costs for services, amounting in total to Euro 7,549 thousand in the nine months ended September 30, 2022, are related for Euro 639 thousand to compensation for executives who are also Company directors and for Euro 6,910 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 2,496 thousand in the nine months ended September 30, 2022, are reported under Personnel costs.

18. Significant non-recurring events and transactions

During the nine months ended September 30, 2022, the Group recognized about €15.0 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 4.0 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

Following the significant change in the Corporate Structure occurred in the last month of July the Group is currently focused on pursuing the new business opportunities as well as the material expected synergies and integration goals deriving from this significant operation, leveraging also on the great potential and business strength in their own markets of each of the new shareholders. On top of that, in the month of October 2022 a significant project was kicked off, involving most of the company function and businesses, aimed to complete the integration process of the new acquired entities by the end of 2023.