

Condensed interim consolidated financial statements

At and for the nine months
period ended September 30,
2023 and 2022

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 2021. Previously, the Company was called SisalPay Group S.p.A.

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

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

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

Key Factors affecting operations in the nine months ended September 30, 2023

In the third quarter 2023, the Italian GDP was estimated flat¹ compared to the same period of last year and the carry-over annual GDP growth estimate for 2023 is equal to 0.7%.

In spite of the ongoing weakness of the macroeconomic scenario, driven by the Russia-Ukraine crisis and the CPI trend following the energy shock which is still impacting the general economic environment, in the first nine months 2023, the Group recorded €12.4 billion turnover, up approx. 9.5% compared to the same period of last year, mainly driven by the change of perimeter as a consequence of the new companies acquired in July 2022 by the new shareholder Enel X S.r.l..

Further, Mooney is continuing to deliver a positive financial performance in terms of revenues (net of distribution network fees, up 6.4% compared to the first half 2022) while adjusted EBITDA closed slightly up 3% compared to Prior Year, but on pro forma basis, to neutralize cards fees accounting adjustment implemented since January 2023, adjusted EBITDA was up 9% compared to the first nine months ended September 30, 2022.

¹ Istat data

Full P&L results

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

<i>(€ in millions)</i>	Nine months ended September 30,				
	2022	% of total revenues and income	2023	% of total revenues and income	% change 2022-2023
Revenues	299.3	99.9%	325.1	99.7%	8.6%
Other revenues and income	0.3	0.1%	0.9	0.3%	200.0%
Total revenues and income	299.6	100.0%	326.0	100.0%	8.8%
Purchases of materials, consumables and merchandise	2.1	0.7%	3.4	1.0%	61.9%
Costs for services	202.0	67.4%	219.2	67.2%	8.5%
Lease and rent expenses	0.8	0.3%	1.8	0.6%	125.0%
Personnel costs	25.9	8.6%	29.0	8.9%	12.0%
Other operating costs	9.5	3.2%	6.1	1.9%	(35.8%)
Amortization, depreciation, provisions and impairment losses and reversals	60.0	20.0%	58.6	18.0%	(2.3%)
Net operating profit (EBIT)	(0.8)	-0.3%	7.9	2.4%	1,087.5%
Finance income and similar	-	0.0%	0.9	0.3%	n.a
Finance expenses and similar	47.0	15.7%	70.0	21.5%	48.9%
Profit (loss) before income taxes	(47.8)	-16.0%	(61.2)	(18.8%)	(28.0%)
Income taxes	(11.0)	(3.7%)	(12.9)	(4.0%)	17.3%
Total profit (loss) for the period	(36.8)	(12.3%)	(48.3)	(14.8%)	(31.3%)

Revenues and income

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

<i>(€ in millions)</i>	Nine months ended September 30,				Change	
	2022	% of total revenues and income	2023	% of total revenues and income	(amount)	%
Payments and other services revenues	240.4	80.3%	264.8	81.2%	24.4	10.1%
Merchant services and others	59.1	19.7%	61.2	18.8%	2.0	3.5%
Total	299.6	100.0%	326.0	100.0%	26.4	8.8%

Revenues and income, amounted to €326.0 million for the nine months ended September 30, 2023, a significant increase of €26.4 million, or 8.8%, compared to €299.6 million for the nine months ended September 30, 2022. Revenues results are composed by Payments and other services revenues, detailed in the following table, and Merchant services and others, mainly related to a B2B offering of technology infrastructure and solutions to our PoS partners. Revenues results are mainly driven by increase of Payments and other services revenues. As a percentage of Total revenues and income, Payments and other services revenues amounted to 81.2% for the nine months ended September 30, 2023, while Merchant services and others revenues amounted to 18.8%, compared to respectively 80.3% and 19.7% for the nine months ended September 30, 2022.

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	
	2022	% of total revenues and income	2023	% of total revenues and income	(amount)	%
Payments & Banking revenues	207.3	69.2%	225.4	69.1%	18.1	8.7%
Prepaid cards revenues	24.3	8.1%	27.6	8.5%	3.3	13.5%
Mobility revenues	8.8	2.9%	11.8	3.6%	3.0	34.0%
Total	240.4	80.3%	264.8	81.2%	24.4	10.1%

The overall Payments and other services revenues amounted to €264.8 million for the nine months ended September 30, 2023, an increase of €24.4 million, or 10.1%, compared to €240.4 million for the nine months ended September 30, 2022.

Payments and other services revenues are composed by:

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

Payments and other services revenues results are mainly driven by the change of perimeter due to the acquisition of the Enel X business, which positively impacted the Payments & Banking segment, but also the other two segments reported increasing results, with in particular the mobility business recording a positive 34% variance compared to prior year.

Costs

Purchases of materials, consumables and merchandise

Purchases of materials, consumables and merchandise amounted to €3.4 million for the nine months ended September 30, 2023, an increase of €1.3 million, or 61.9%, compared to €2.1 million for the nine months ended September 30, 2022, mainly related to the purchase of hardware equipment supporting the mobility and other businesses.

Costs for services

Costs for services amounted to €219.2 million for the nine months ended September 30, 2023, an increase of €17.2 million, or 8.5%, compared to €202.0 million for the nine months ended September 30, 2022.

Costs for services amounted to 67.2% of total revenues and income for the nine months ended September 30, 2023, compared to 67.4% of total revenues and income for the nine months ended September 30, 2022.

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

<i>(€ in millions)</i>	Nine months ended September 30,				Change	
	2022	% of total revenues and income	2023	% of total revenues and income	(amount)	%
Sales channel - payments services	136.0	45.4%	148.9	45.7%	12.9	9.5%
Commercial services	7.2	2.4%	4.4	1.3%	(2.8)	(38.8%)
Consulting	7.6	2.5%	8.0	2.5%	0.4	5.5%
Others services costs	51.2	17.1%	58.0	17.8%	6.8	13.3%
Total cost for services	202.0	67.4%	219.2	67.2%	17.2	8.5%

- *Sales channel – payments services* amounting to €148.9 million for the nine months ended September 30, 2023, an increase of €12.9 million, or 9.5%, compared to €136.0 million for the nine months ended September 30, 2022, mainly driven by increase in related Payments and other financial services revenues and in particular by the change of perimeter already above mentioned. As a percentage of Total revenues and income, sales channel payments services amounted to 45.7% for the nine months ended September 30, 2023 and to 45.4% for the nine months ended September 30, 2022.
- *Commercial services* amounting to €4.4 million for the nine months ended September 30, 2023, a decrease of €2.8 million, or 38.8%, compared to €7.2 million for the nine months ended September 30, 2022. As a

percentage of Total revenues and income, Commercial services amounted to 1.3% for the nine months ended September 30, 2023 and to 2.4% for the nine months ended September 30, 2022. This cost item is mainly related to marketing, advertising and sponsorships and residually to other commercial initiatives.

- *Consulting* amounting to €8.0 million for the nine months ended September 30, 2023, an increase of €0.4 million, or 5.5%, compared to €7.6 million for the nine months ended September 30, 2022. As a percentage of Total revenues and income, Consulting amounted to 2.5% for both the nine months ended September 30, 2023 and September 30, 2022.
- *Other services costs* amounting to €58.0 million for the nine months ended September 30, 2023, an increase of €6.8 million, or 13.3%, compared to €51.2 million for the nine months related to September 30, 2022. As a percentage of Total revenues and income, Other services costs amounted to 17.8% for the nine months ended September 30, 2023 and to 17.1% for the nine months ended September 30, 2022. 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 the new business acquired in the third quarter 2022.

Personnel costs

Personnel costs amounted to €29.0 million for the nine months ended September 30, 2023, an increase of €3.1 million, or 12.0%, compared to €25.9 million for the nine months ended September 30, 2022. As a percentage of total revenues and income, Personnel costs amounted to 8.9% for the nine months ended September 30, 2023 and 8.6% for the nine months ended September 30, 2022. Our average workforce, expressed in full time equivalents, reached 774 for the nine months ended September 30, 2023, an increase of 99 from 675 for the nine months ended September 30, 2022. The increase in Personnel costs is driven by full time equivalents trend, mainly related to 2022 third quarter acquisitions and also partially to non recurring costs expensed in the second and third quarter 2023.

Other operating costs

Other operating costs amounted to €6.1 million for the nine months ended September 30, 2023, a decrease of €3.4 million, or 35.8%, compared to €9.5 million for the nine months ended September 30, 2022, mainly driven by the decrease in other non income taxes and duties. As a percentage of Total revenues and income, Other operating costs amounted to 1.9% for the nine months ended September 30, 2023 and to 3.2% for the nine months ended September 30, 2022.

Amortization, depreciation, provisions and impairment losses and reversals

Amortization, depreciation, provisions and impairment losses and reversals amounted to €58.6 million for the nine months ended September 30, 2023, a decrease of €1.4 million, or 2.3%, compared to €60.0 million for the nine months ended September 30, 2022. As a percentage of total revenues and income, Amortization, depreciation, provisions and impairment losses and reversals amounted to 18.0% for the nine months ended September 30, 2023 and to 20.0% for the nine months ended September 30, 2022; the slight decrease is mainly related to the trend of Amortization and depreciation of tangible assets, partially offset by increase in depreciation of intangible assets.

Net operating profit (EBIT)

Net operating profit (EBIT) amounted to €7.9 million for the nine months ended September 30, 2023, compared to a net operating loss amounted to €0.8 million for the nine months ended September 30, 2022.

Net margin was 2.4% for the nine months ended September 30, 2023 compared to -0.3% for the nine months ended September 30, 2022.

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

Finance expenses and similar

Finance expenses and similar amounted to €70.0 million for the nine months ended September 30, 2023, an increase of

€23.0 million, or 48.9%, compared to €47.0 million for the nine months ended September 30, 2022. As a percentage of Total revenues and income, Finance expenses and similar amounted to 21.5% for the nine months ended September 30, 2023 and 2022 and to 15.7% for the nine months ended September 30, 2022. Finance expenses and similar are for about 52% referred to related parties (in particular Enel X S.r.l. and Isybank 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 three quarters 2022) and for the residual to third parties (mainly represented by the senior secured notes holders). The increase in the period compared to the first nine months 2022 is driven by the higher stock of shareholder loans and by the increase in the interest rates related to the secured notes and to the revolving facilities due to Euribor rates trend (which moved from negative sign in the first half 2002 to an average of more than 300 bps in the first nine months 2023); the Company is constantly monitoring the financial markets but so far no hedging operation has been considered appropriate.

Income taxes

Income taxes amounted to €-12.9 million for the nine months ended September 30, 2023, in line with related taxable income of the Group and mainly driven by loss before income tax of the Parent Company.

Liquidity and Working capital

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

Movements in working capital are generally connected to timing of cash collections and business turnover trends. The lower cash absorbed in the first nine months 2023 compared to the performance of the first nine months 2022 is mainly related to the cash absorbed by movements in trade working capital, impacted by different calendar and volumes on the cut off dates. The overall movements in trade working capital in the first half 2023 are in particular driven by higher reversal effect of year end 2022 generated working capital, that reflects the usual seasonality of the Group net working capital trend.

<i>(€ in millions)</i>	Nine months ended September 30,	
	2022	2023
Movements in trade receivables	(68.9)	(39.1)
Movements in inventories	(1.1)	3.6
Movements in trade payables	28.7	(3.2)
Movements in trade working capital	(41.3)	(38.6)
Movements in other assets and liabilities	8.4	8.0
Total movements in working capital	(32.9)	(30.7)

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,	
	2022	2023
Cash provided by operations before changes in working capital, interest and taxes	60.1	67.6
Tax paid	(1.0)	(0.4)
Changes in working capital	(32.9)	(30.7)
Cash flows provided by (used in) operating activities	26.2	36.5
Cash flows provided by (used in) investing activities	(16.5)	(34.5)
Cash flows provided by (used in) financing activities	(4.8)	(21.3)
Increase/(Decrease) in cash and cash equivalents	4.9	(19.3)
Net cash at the beginning of the period	67.6	88.8
Net cash at the end of the period	72.5	69.5

Cash provided by operating activities amounted to €36.5 million for the nine months ended September 30, 2023, compared to Cash provided by operating activities amounting to €26.2 million for the nine months ended September 30, 2022. The movement is mainly driven by the trend in the changes in working capital as above commented as well as by cash provided by operations before changes in working capital, interest and taxes that was up approx. €7.5 million.

Cash flows used in investing activities amounted to €34.5 million for the nine months ended September 30, 2023, compared to €16.5 million for the nine months ended September 30, 2022, mainly due to cash available on the balance sheet of the companies acquired in the month of July 2022 which positively affected third quarter 2022 cash flow.

Cash flows used in financing activities amounted to €21.3 million for the nine months ended September 30, 2023, compared to Cash flows used by financing activities of €4.8 million for the nine months ended September 30, 2022. The cash flows related to financing activities for both the nine months ended September 30, 2023 and September 30, 2022 included net interest and related expenses payments for respectively €30.8 million and €18.4 million. In addition, 2023 cash flows include net usage of revolving facilities for €14.5 million, compared to net usage of revolving facilities for approx. €16.8 million for the nine months ended September 30, 2022. In the nine months ended September 30, 2023 are also reflected repayments for about €4.6 million of financial liabilities accounted for in application of the accounting standard IFRS 16, compared to €3.1 million repayments reported in the same period of 2022.

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, 2022 and September 30, 2023. Subordinated shareholders loans are not included:

<i>(€ in millions)</i>	<u>As of December 31,</u> 2022	<u>As of September 30,</u> 2023
Senior revolving Facility	64.0	78.0
Senior Secured notes	531.3	531.5
Other financial liabilities	23.9	22.7
Total external financial liabilities	619.1	632.2

Other Financial Information

<i>(€ in millions)</i>	<u>Nine months ended September 30,</u>	
	2022	2023
EBITDA ⁽¹⁾	59.2	66.2
Non recurring items	15.0	9.7
Adjusted EBITDA ⁽²⁾	74.2	75.9
Adjusted EBITDA margin ⁽³⁾	24.8%	23.3%

(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>	<u>Nine months ended September 30,</u>	
	2022	2023
Profit/(loss) for the period	(36.8)	(48.3)
Net finance expense and similar	47.0	69.1
Income taxes	(11.0)	(12.9)
Amortisation, depreciation, provisions and impairments	50.8	49.2
Impairment of receivables	9.2	9.1
EBITDA	59.2	66.2

<i>(€ in millions)</i>	As of December 31, 2022	As of September 30, 2023
Unrestricted cash ⁽⁴⁾	88.8	69.5
MOONEY GROUP net senior secured debt ⁽⁵⁾	506.4	540.0

(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, 2023 AND SEPTEMBER 30, 2022

<i>(in Euro thousands)</i>	<i>Notes</i>	For the Nine months ended September 30,		For the three months ended September 30,	
		2023	2022	2023	2022
Revenues	8	325,090	299,251	100,679	106,870
<i>of which related parties</i>		7,629	13,260	2,362	6,452
Other revenues and income		872	302	122	(56)
<i>of which related parties</i>		0	0	0	0
Total revenues and income		325,962	299,553	100,801	106,814
Purchases of materials, consumables and merchandise		3,365	2,123	1,078	807
Costs for services		219,217	201,995	62,924	72,300
<i>of which related parties</i>	17	1,966	7,549	644	1,920
Lease and rent expenses		1,778	820	667	542
Personnel costs		28,988	25,876	9,212	12,247
<i>of which related parties</i>	17	4,495	3,405	1,759	1,909
Other operating costs		6,116	9,524	1,755	4,223
Amortisation, depreciation, provisions and impairment losses and reversals		58,580	60,020	19,718	21,500
Net operating profit (EBIT)		7,919	(806)	5,446	(4,805)
Finance income and similar		905	14	430	14
<i>of which related parties</i>	17	256	0	97	0
Finance expenses and similar	9	70,011	47,023	25,234	17,569
<i>of which related parties</i>	17	36,191	26,568	12,205	10,880
Profit (loss) before income taxes		(61,187)	(47,816)	(19,358)	(22,360)
Income taxes		(12,863)	(10,972)	(3,803)	(5,561)
Profit (loss) for the period		(48,324)	(36,844)	(15,556)	(16,799)
Attributable to non-controlling interest		110	(196)	26	(21)
Attributable to owner of the parent		(48,434)	(36,648)	(15,581)	(16,778)
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		(48,324)	(36,844)	(15,556)	(16,799)
Attributable to non-controlling interest		110	(196)	26	(21)
Attributable to owner of the parent		(48,434)	(36,648)	(15,581)	(16,778)

MOONEY GROUP S.P.A. CONDENSED CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AT SEPTEMBER 30, 2023 AND DECEMBER 31, 2022

<i>(in Euro thousands)</i>	<i>Notes</i>	<i>At September 30, 2023</i>	<i>At December 31, 2022</i>
A) NON-CURRENT ASSETS			
Property, Plant and Equipment	10	42,338	49,877
Goodwill	11	679,917	679,917
Intangible assets	10	130,081	127,615
Investments accounted for using the equity method		0	0
Deferred tax assets		37,124	21,633
Other non-current assets		2,188	5,941
Total non-current assets		891,647	884,984
B) CURRENT ASSETS			
Inventories		3,918	7,558
Trade receivables		125,972	95,978
<i>of which related parties</i>	17	3,256	3,145
Current financial assets		0	0
Taxes receivable		321	817
Restricted bank deposits	12	244,587	241,811
<i>of which related parties</i>		217,311	178,212
Cash and cash equivalents	13	69,541	88,833
<i>of which related parties</i>	17	58,358	74,478
Other current assets		16,250	13,870
<i>of which related parties</i>	17	0	115
Total current assets		460,589	448,867
TOTAL ASSETS		1,352,236	1,333,851
A) EQUITY			
Share capital	14	10,050	10,050
Share premium reserve		77,485	77,485
Other reserves		(423,084)	(369,676)
Profit (Loss) for the year		(48,434)	(53,408)
Total equity attributable to owners of the Parent		(383,982)	(335,549)
Equity attributable to non-controlling interests		3,295	3,185
Total equity		(380,688)	(332,364)
B) NON-CURRENT LIABILITIES			
Long-term debt	15	1,111,554	1,075,842
<i>of which related parties</i>		577,322	542,476
Provision for employee severance indemnities		8,644	8,219
Deferred tax liabilities		0	0
Provisions for risks and charges	16	658	456
Other non-current liabilities		328	1,791
Total non-current liabilities		1,121,184	1,086,308
C) CURRENT LIABILITIES			
Trade and other payables		261,289	262,490
<i>of which related parties</i>	17	27,089	16,687
Short-term debt	15	78,168	63,377
<i>of which related parties</i>		24,897	20,184
Current portion of long-term debt	15	7,434	7,444
<i>of which related parties</i>		130	128
Taxation payable		1,858	535
Other current liabilities		262,991	246,061
<i>of which related parties</i>	17	0	2
Total current liabilities		611,739	579,907
TOTAL LIABILITIES AND EQUITY		1,352,236	1,333,851

FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND SEPTEMBER 30, 2022

	For the nine months ended September 30,	
<i>(In Euro thousands)</i>	2023	2022
Profit (loss) for the period before income taxes	(61,187)	(47,816)
Amortization and depreciation	49,248	50,773
Impairment of current receivables	9,072	9,156
Provisions for risks and charges, accruals and employee severance indemnities	1,375	975
Finance (income) expenses	69,106	47,009
Net cash generated from operating activities before changes in working capital, interest and taxes	67,614	60,097
Changes in trade receivables	(39,067)	(68,905)
Changes in inventories	3,640	(1,123)
Changes in trade payables	(3,205)	28,682
Change in other assets and liabilities	7,964	8,440
Taxes (paid)/reimbursed	(400)	(971)
Net cash generated from operating activities	36,546	26,220
Increase in property, plant and equipment	(2,428)	(8,814)
Increase in intangible assets	(31,938)	(25,327)
Acquisitions (net of cash)	(183)	17,645
Net cash used in investing activities	(34,549)	(16,496)
decrease in medium-/long-term debt	(349)	(628)
decrease in lease payables	(4,605)	(3,139)
Increase (decrease) in short-term debt	14,492	16,804
Net interest paid	(30,827)	(18,421)
Net cash used in financing activities	(21,289)	(4,812)
Net change in cash and cash equivalents	(19,292)	4,912
Net cash at the beginning of the period	88,833	67,633
Net cash at the end of the period	69,541	72,545

MOONEY GROUP S.P.A.
CONDENSED CONSOLIDATED STATEMENT OF CHANGE IN EQUITY
FOR THE NINE MONTHS ENDED SEPTEMBER 30, 2023 AND SEPTEMBER 30, 2022

<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, 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
Other movements	0	0	0	(23)	0	(23)	0	(23)
Transactions with shareholders	0	0	0	2,253	0	2,253	(2,134)	119
Equity at September 30, 2022	10,050	0	77,485	(370,908)	(36,648)	(320,021)	2,980	(317,041)
Equity at December 31, 2022	10,050	0	77,485	(369,867)	(53,216)	(335,548)	3,185	(332,364)
Prior year result				(53,216)	53,216	0	0	0
Profit/(loss) for the period					(48,434)	(48,434)	110	(48,324)
Total comprehensive profit (loss) for the period	0	0	0	(53,216)	4,782	(48,434)	110	(48,324)
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, 2023	10,050	0	77,485	(423,083)	(48,434)	(383,981)	3,295	(380,688)

MOONEY GROUP S.P.A.
NOTES TO THE CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS AT AND FOR THE NINE MONTHS
ENDED SEPTEMBER 30, 2023

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, 2023 Enel X S.p.A. and Isybank S.p.A. (former Banca 5 S.p.A), both owing 50% of the capital stock of the Company.

2. Basis of preparation

Background

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

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

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

Criteria applied for the Special Purpose Financial Statements preparation

The notes to the Condensed Consolidated Interim Financial Statements have been prepared following IAS 34, ‘Interim financial reporting’ which governs interim financial reporting. IAS 34 permits a significantly lower amount of information to be included in interim financial statements from what is required for annual financial statements by International Financial Reporting Standards issued by the International Accounting Standards Board and approved by the European Union (hereafter “**IFRS**”), given that the entity has prepared its financial statements compliant with IFRS for the previous financial year. The Condensed Consolidated Interim Financial Statements should be read in conjunction with the annual consolidated financial statements of the Group for the year ended December 31, 2022 (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 22, 2023.

3. Going concern

Net loss for the nine months ended September 30, 2023 amounted to Euro 48,324 thousand (Euro 36,844 thousand for the nine months ended September 30, 2022); at September 30, 2023 the consolidated equity was negative for Euro 380,688 thousand (Euro 332,364 thousand at December 31, 2022) and net working capital at September 30, 2023 was negative for Euro 135,090 thousand (Euro 149,052 thousand at December 31, 2022).

The Net 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 79,693 thousand, while consolidated EBIT was positive for Euro 7,919 thousand (Euro – 806 thousand for the nine months ended September 30, 2022).

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, 2023 and at December 31, 2022:

<i>(In Euro thousands)</i> <i>(Percentage computed on total debt and equity)</i>	At September 30, 2023	%	At December 31, 2022	%
Long term debt	534,519		533,749	
Short-term debt and current portion of long-term debt	85,602		70,821	
Funding from third parties	620,120	76.0%	604,569	74.2%
Shareholder Loan	577,035		542,093	
Funding from shareholders	577,035	70.7%	542,093	66.6%
Equity	(380,688)	-46.7%	(332,364)	-40.8%
Total debt and equity	816,468	100.0%	814,299	100.0%

As at September 30, 2023 the Short-term debt includes the drawdown of the Super Senior Revolving Facility for Euro 78,000 thousand, increased for Euro 14,000 thousand compared to the draw down at the end of December 2022.

It is noted that Loans from related parties include around Euro 577.0 million relating to loans from both the two shareholders (owing the same amount), arising for Euro 388.0 million from the acquisition by the Company of the investments held by the two original shareholders in Mooney S.p.A (former SisalPay S.p.A) and in Mooney Servizi S.p.A. (former SisalPay Servizi S.p.A.) following the contribution of business segments to the latter, for Euro 25.8 million following the transfer at the end of April 2022 of a further business branch relating to payment services by the shareholder Isybank S.p.A, and for Euro 151.5 million following the purchase of the 100% of the equity of several companies previously controlled by the new shareholder Enel X S.r.l.. Starting from July 25, 2023 it was agreed between the involved parties that all the Deferred Purchase Price notes in place will accrue annual interest at a rate of 8.5%.

The macroeconomic scenario for the current year, reflected in the 2023 Budget prepared by the Group, maintains the elements of weakness that already appeared in 2022 that could also lead to a recessionary phase or at least stagnation in a context still characterized by a year-on-year inflation rate above 6%. This scenario will continue to slow down the recovery of the overall payment and banking services market in Italy compared to pre-pandemic values (-10% compared to the 2019 figure), while in particular the Proximity Retail segment should remain stable in terms of total turnover figures in 2022 (approximately Euro 33 billion). In 2023, on the other hand, the Digital segment will move up with double-digit growth and within which the Mooney Group will also continue its growth momentum, thanks mainly to the further development of the prepaid debit card business and the development of further initiatives in the Digital channel. On the basis of these assessments and ongoing developments and also with particular reference to the current and expected profitability of the Group, the Directors believe that there is the reasonable expectation that the Group will continue its operating activities in the foreseeable future and will be able to meet its financial commitments, and in any case for a period of time beyond twelve months, and has therefore prepared these Condensed Consolidated Interim Financial Statements on a going concern basis.

4. Accounting policies

The accounting policies adopted are consistent with those that applied to the Annual Consolidated Financial Statements. The following accounting standard applicable since January 2023 and adopted for the first time.

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

Since January 2023, 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
- Annual improvements make minor amendments to IFRS 1, 'First-time Adoption of IFRS', IFRS 9, 'Financial instruments', IAS 41, 'Agriculture' and the Illustrative Examples accompanying IFRS 16, 'Leases'.
- Amendments to IAS 12 Income taxes: International Tax Reform – Pillar Two Model Rules
- Amendments to IAS 12: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- 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;
- IFRS 17 Insurance Contracts;

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

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

At the date and preparation of these interim financial statements, the following standards and interpretations issued by the IAS were not yet endorsed by the European Union or endorsed but not yet effective:

- Amendments to IAS 1 Presentation of Financial Statements: Classification of Liabilities as Current or Non-current;
- Amendments to IAS 12 Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction
- Amendment to IFRS 16 – Leases on sale and leaseback
- Amendment to IAS 1 – Non current liabilities with covenants
- Amendments to IAS 7 and IFRS 7 on Supplier finance arrangements
- Amendments to IAS 21 – Lack of exchangeability
- IFRS S1 – General requirements for disclosure of sustainability-related financial information;
- IFRS S2 – Climate – related disclosures

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. Further, in the month of January 2023 a new Group Risk manager has been appointed and in the following months a new risk management procedure was edited including an updated view off all the company's risks.

Liquidity risk

At September 30, 2023, 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, 2023, these

facilities were partially drawn down for Euro 78.0 million as cash utilization.

Fair value estimation

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

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

Both at September 30, 2023 and December 31, 2022 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,	
	2023	2022	2023	2022
Payments and other services	264,789	240,431	80,251	86,128
Merchant services and others	61,173	59,122	20,549	20,686
Total	325,962	299,553	100,801	106,814

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,	
	2023	2022	2023	2022
Payments & Banking revenues	225,371	207,293	65,947	73,729
Prepaid cards revenues	27,633	24,347	10,042	9,135
Mobility revenues	11,785	8,791	4,262	3,264
Total	264,789	240,431	80,251	86,128

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,	
	2023	2022	2023	2022
Interest and other finance expenses - related parties	36,191	26,568	12,205	10,880
Interest and other finance expenses - third parties	33,820	20,455	13,029	6,689
Total	70,011	47,023	25,234	17,569

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, 2023		
Opening net book amount as at January 1, 2023	49,877	127,615
Acquisitions of subsidiaries/businesses	0	0
Increases	5,720	38,453
Depreciation, amortisation and impairment	(13,260)	(35,988)
Closing net book amount as at September 30, 2023	42,338	130,081

11. Goodwill

<i>(in thousands of Euros)</i>	At September 30, 2023	At December 31, 2022
At the beginning of the period	679,917	534,102
Acquisitions of subsidiaries/businesses	0	145,815
At the end of the period	679,917	679,917

Goodwill reflects as of September 30, 2023 the definitive accounting, which is in line with the provisory one, related to the conferred business by the shareholder Isybank S.p.A. in M4 2022.

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..

13. Cash and cash equivalents

Cash and cash equivalents at September 30, 2023 and December 31, 2022 are as follows:

<i>(in Euro thousands)</i>	At September 30, 2023	At December 31, 2022
Bank and postal accounts	69,535	88,826
Cash and cash equivalents in hand	6	7
Total	69,541	88,833

14. Share capital and reserves

At September 30, 2023 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, 2022.

15. Borrowings and loans

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

<i>(in Euro thousands)</i>	At September 30, 2023	At December 31, 2022
Senior Revolving and ancillary facilities	76,946	62,647
Senior Secured Notes	520,439	517,973
Loans from shareholders	577,035	542,093
Loans from other banks	2,959	2,816
Payable to other lenders - leasing contracts	19,777	21,133
Other loans from third parties	22,736	23,949
Total	1,197,156	1,146,662
<i>of which current</i>	<i>85,602</i>	<i>70,820</i>
<i>of which non-current</i>	<i>1,111,554</i>	<i>1,075,842</i>

Movements in borrowings are analyzed as follows:

<i>(in Euro thousands)</i>	Nine months ended September 30,	
	2023	2022
Opening amount as at January 1	1,146,662	948,207
New borrowings	14,492	181,430
Change in IFRS 16 net financial liability	(1,356)	1,332
Net accrued interest and amortized	37,707	28,434
Repayments of borrowings	349	1,324
Closing amount as at September 30	1,197,156	1,158,079

At September 30, 2023, the market price of the senior secured notes was a total of Euro 530.0 million in line with the face value.

16. Provisions for risks and charges

There were no significant movements in the provisions for risks and charges in the first nine months 2023.

17. Related party transactions

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

With regard to financial transactions, we already commented the debt related to the deferred purchase price agreements signed at the end of 2019 and more recently in Q2 and Q3 2022; in addition, at September 30, 2023 it is noted the trade receivables for about Euro 3.3 million, related to the fees matured by Mooney in particular on withdrawal and bank transfer services offered to Intesa Sanpaolo customers.

Moreover it is noted that some restricted and available cash is deposited with both Isybank S.p.A. and Intesa Sanpaolo S.p.A. for total Euro 275.7 million and that Euro 24.9 million short term financing are mainly related to commitments by Intesa Sanpaolo S.p.A. referred to the Super Senior Revolving Facility.

Related party revenues, amounting to Euro 7.6 million for the nine months ended September 30, 2023, are mainly related to payments services income originating from agreements with both the two shareholders groups.

Related party costs for services, amounting in total to Euro 2.0 thousand in the nine months ended September 30, 2023, are mainly related to compensation for executives who are also Company directors and other related parties; salaries and employees severance indemnities of key management charged with strategic responsibilities, amounting to Euro 2,170 thousand in the nine months ended September 30, 2023, are reported under Personnel costs.

18. Significant non-recurring events and transactions

During the nine months ended September 30, 2023, the Group recognized about €9.7 million net non-recurring expenses/extraordinary items, mainly related to integration costs of new acquired entities and also to start-up costs in connection with launch of new businesses.

19. Commitments

The Condensed Consolidated Interim Financial Statements include capital expenditure commitments for approximately Euro 6.6 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

As far as the integration process of the new acquired entities is concerned, the corporate integration of the commercial entities into Mooney Servizi S.p.A. has been formally approved in the month of October to be finalized by January 1st, 2024.

With regards to the proceeding started on July 20, 2023 by the Italian Antitrust Authority (AGCM) against Mooney Group S.p.A., Mooney S.p.A. and Mooney Servizi S.p.A. for alleged unfair commercial practices, specifically related to the Mooney Card product, Mooney S.p.A. (which is the sole relevant entity for the proceeding) has provided all the information requested and submitted its commitments in September. Such commitments were rejected by the AGCM on November 22, 2023. Therefore, the Authority will carry on the investigation of the facts in the next months. A decision is expected by mid-February 2024.