Condensed interim consolidated financial statements as at 30 June 2025

DIRECTORS' REPORT ON THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT

GENERAL CONTENTS

COMPOSITION OF THE MANAGEMENT BODIES

Board of Directors

Chairperson	Mr. Gianluca Garbi
Deputy Chairperson	Mr. Alessandro Mazzola
Directors	Mr. Attilio Baruffi *(Independent)*
	Ms. Francesca Granata
	Ms. Carlotta De Franceschi (*Independent*)
	Mr. Pier Angelo Taverna (*Independent*)
	Mr. Donato Trenta

Board of Statutory Auditors

Chairperson	Mr. Maurizio Zazza
Standing Auditors	Mr. Massimo Conigliaro
	Ms. Maria Elena Vavalà
Alternate Auditors	Ms. Daniela D'Ignazio
	Mr. Roberto Ponziano

Independent Auditors

BDO Italia S.p.A.

Supervisory Body

Chairperson	Mr. Maurizio Zazza
Members	Mr. Attilio Baruffi
	Ms. Maria Salvi

SIGNIFICANT EVENTS FROM 1 JANUARY TO 30 JUNE 2025

On 24 January 2025, Kruso Kapital concluded the transaction for the purchase of a pawn loan portfolio in Tuscany for an acquisition price of approximately € 11.5 million.

On 8 April 2025, the rebranding of the Milanese auction house Art-Rite began, which has started to operate on the market with a new name and a new brand: Kruso Art.

On 9 April 2025, the Shareholders' Meeting of ProntoPegno Greece, a subsidiary of Kruso Kapital, resolved to reduce the losses relating to previous years and carried forward and to recapitalise the company at the same time, by paying € 350,000.

On 10 April 2025, Kruso Kapital issued a first Credit Linked Note (CLN) of € 2 million with an underlying pawn loan portfolio, which is part of the plan to diversify funding sources and align the funding structure with the average duration of assets, as well as serve as a capital relief instrument.

In the period between 9 and 10 May, the migration process of CEP's IT infrastructure was successfully completed. The intervention concerned the transfer of the company network and servers dedicated to hosting the website, management system and other applications used by the company.

On 4 June 2025, the shareholders' meeting of Kruso Art, a subsidiary of Kruso Kapital, resolved to restore the company's capital, by paying € 510,000.

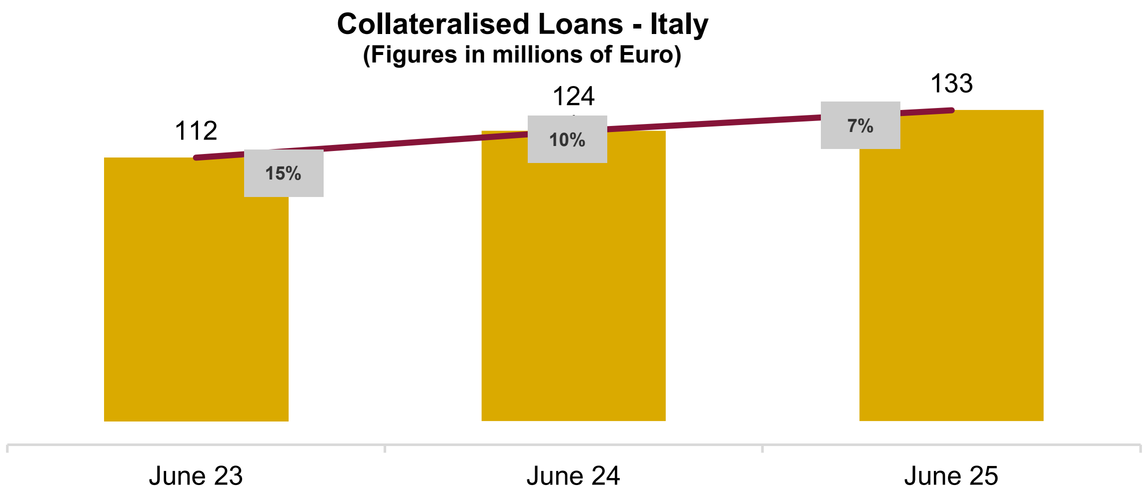
COMMERCIAL PERFORMANCE IN ITALY

As at 30 June 2025, Kruso Kapital had over 79.4 thousand collateralised loan policies (increasing by 10.7% year over year) in Italy, with total loans amounting to € 133 million, up by 7% on 30 June 2024 (€ 124 million), with underlying gold collateral accounting for approximately 89% of the total.

At the end of June 2025, thanks to investments in digital solutions and a strong commercial focus, digital policies accounted for 26.83% of total policies in Italy

The first half of the year was characterised by 40 auctions of goods from collateralised loan, 7 more than in the same period of 2024 (33 auctions), corresponding to a greater number of items auctioned and a higher number of items awarded than in the previous year and above expectations.

The development of loans is shown below:



The trend of the first half of Kruso Art, which carried out fewer auctions than expected (of which 1 moved to 3Q 2025), is affected by the global contraction of the sector. Funding in the first half of the year amounted to € 1.9 million, down year over year, largely explained by the performance of the Department of Modern and Contemporary Art (AMC) and the Department of Philately, as well as by the failure to launch contracts with the Third Party Guarantee ("TPG") option, which had been a significant source of income in the first half of the year.

INTERNATIONAL COMMERCIAL PERFORMANCE

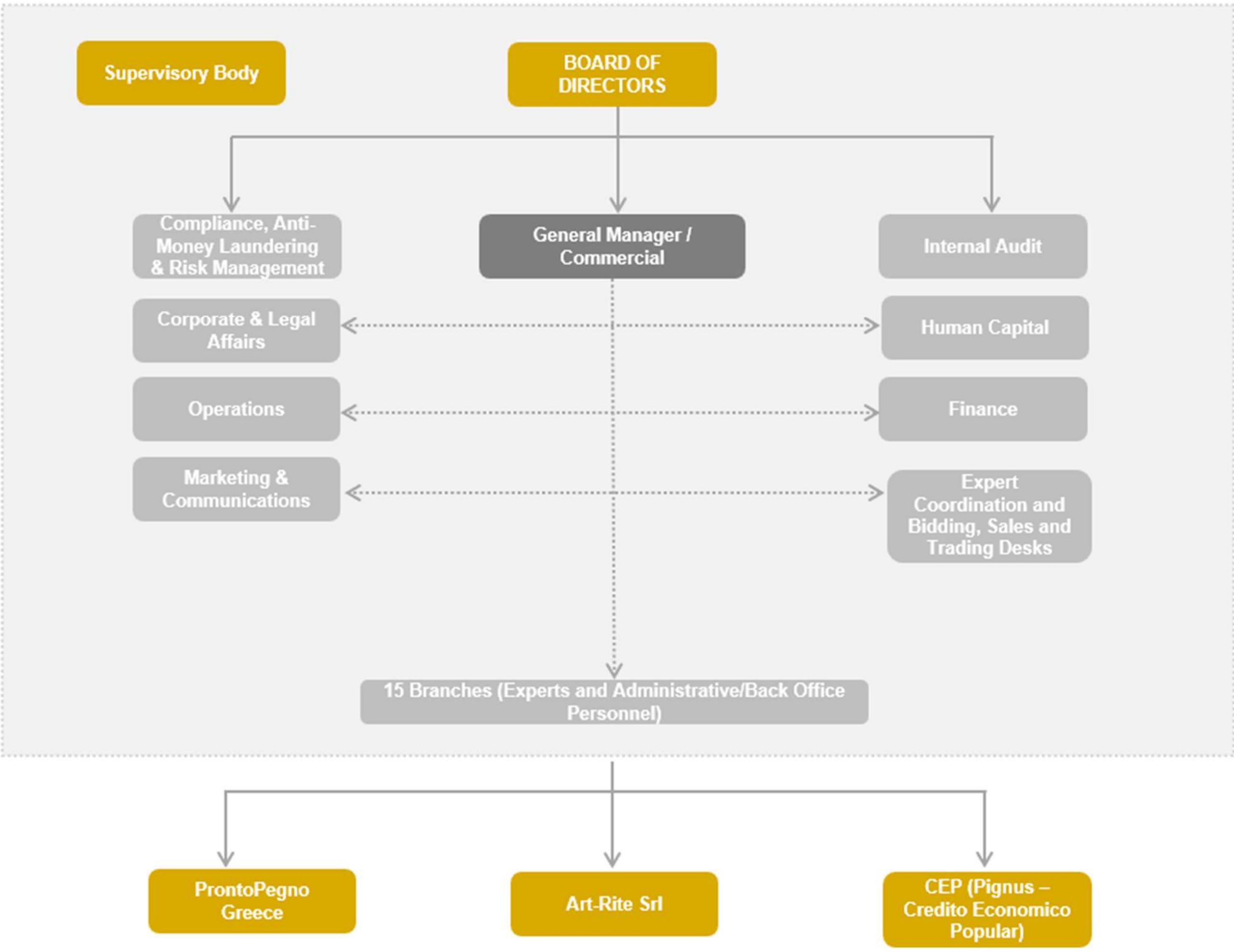
Commercial performance in Greece (ProntoPegno Greece) in the first half improved significantly on the same period of 2024 and in line with expectations. Loans amounted to € 358 thousand as at 30 June 2025 (€ 181 thousand as at 30 June 2024), doubling compared to the corresponding half of last year.

The performance of the commercial activity of CEP (Pignus - Crédito Económico Popular acquired in November 2024) in Portugal contributes to the upward trend in loans of € 19 million, an increase since the acquisition.

COMPOSITION AND ORGANISATIONAL STRUCTURE OF THE GROUP

Organisational Chart

Below is the Group's organisational structure at 30 June 2025:



HUMAN RESOURCES

As at 30 June 2025, the Group had 145 employees (95 as at 30 June 2024), broken down by category as follows:

Personnel	30/06/2025		
	Number	% Female Employees	% Male Employees
Senior Managers	4	-	100%
Middle Managers (Levels 3 and 4)	32	38%	62%
Other personnel	109	38%	62%
Total	**145**	**37%**	**63%**
of which CEP	*44*	*27%*	*73%*
of which ProntoPegno GREECE	*3*	*33%*	*67%*

The increase compared to the same period in 2024 is mainly due to the acquisition of CEP, which took place in November 2024, bringing 43 resources into the Group.

INCOME STATEMENT

The first half of 2025 ended with a consolidated net profit of € 4.4 million, a sharp increase year over year, to which the Group companies contributed as follows:

- At individual level, Kruso Kapital's net profit increased sharply in the first half to € 4.8 million, up by 90% year over year.
- CEP recorded a positive result of € 0.7 million;
- ProntoPegno Greece recorded a negative result of € 265 thousand, though improving year over year (€ -319 thousand in the first half of 2024);
- Kruso Art posted a loss of € 457 thousand (€ -329 thousand in the first half of 2024).

Below are the consolidated financial figures as at 30 June 2025:

Amounts in thousands of Euro

CONSOLIDATED INCOME STATEMENT YTD	30.06.24	30.06.25	Var. YoY	
			€k	%
Interest and similar income	6.912,9	8.988,1	2.075,3	30%
Interest and similar expense	(2.235,4)	(2.372,5)	(137,0)	6%
Net interest income	**4.677,4**	**6.615,7**	**1.938,2**	**41%**
Net fee and commission income (expense)	**6.815,0**	**10.602,0**	**3.787,0**	**56%**
Net income from other financial assets and liabilities measured at fair value through profit or loss	**-**	**55,9**	**55,9**	**n.s.**
Total income	**11.492,5**	**17.273,6**	**5.781,1**	**50%**
Net impairment losses/gains due to credit risk	**(81,9)**	**(74,3)**	**7,6**	**-9%**
Net financial income (expense)	**11.410,5**	**17.199,3**	**5.788,8**	**51%**
Administrative expenses:	**(7.425,7)**	**(9.362,9)**	(1.937,3)	26%
a) personnel expense	(4.107,3)	(4.703,5)	*(596,3)*	*15%*
b) other administrative expenses	(3.318,4)	(4.659,4)	*(1.341,0)*	*40%*
Net impairment gains/losses on property and equipment / intangible assets	**(818,8)**	**(1.356,6)**	**(537,7)**	**66%**
Other operating income (expense)	**88,2**	**139,0**	**50,8**	**58%**
Operating costs	**(8.156,3)**	**(10.580,5)**	**(2.424,3)**	**30%**
Gains (Losses) on equity investments	-	190,0	190,0	n.s.
Pre-tax profit (loss) for the period	3.254,3	6.808,8	3.554,5	>100%
Income taxes	(1.347,9)	(2.418,2)	(1.070,3)	79%
Net profit/loss for the period	1.906,4	4.390,6	2.484,2	>100%

The net interest income, equal to € 6.6 million, grew year over year due to the increase in interest income (+41%), mainly driven by the rise in loans (both in Italy and Greece, although the latter had a negligible impact), the contribution of CEP (consolidated since 4Q24) and the higher margins, which more than offset the negative impact of the premium (€ 0.4 million) relating to the portfolio purchased in January 2025 and accounted for in interest income, the negative impact of the PPA (€ 0.6 million) and the increase in interest expense, although driven by a decrease in the cost of funding following the evolution of the 3M Euribor.

Net fee and commission income (expense), amounting to € 10.6 million, increased by 56% year over year, due to the increase in loans, the contribution of CEP and, to a significant extent, the greater contribution of the auctions of collateralised loans (#40 in 1H25 vs #33 in 1H24) and the greater number of items year over year.

Total income, amounting to € 17.3 million, shows an increase of 50% year over year, linked to the combined effect of the previous items and, to a negligible extent, to the net income of financial assets measured at fair value following the issuance of the CLN.

The net impairment losses due to credit risk, substantially unchanged year over year, in the first quarter of 2025 transposed the new credit policies that, in addition to the different classification of receivables, led to the application of new collective hedging percentages.

Operating costs, amounting to € 10.6 million, are 30% higher year over year due to:

- Higher personnel expenses substantially related to the consolidation of CEP. The number of resources was 145 on 30 June 2025 vs 95 on 30 June 2024;
- Higher other administrative expenses, essentially due to the consolidation of CEP (€ 0.4 million) for € 1.3 million, higher costs of KK in Italy related to extraordinary consultancy expenses such as those related to the Credit Linked Note, higher IT expenses (€ 0.3 million) and other operating expenses;
- The change in net impairment losses on intangible assets is mainly attributable to the premium portion (€ 0.3 million) of the portfolio purchased in January 2025 and, to a lesser extent, to the registration of the CEP brand following the PPA process.

The item Gains on equity investments of € 0.2 million is due to the release of part of the debt relating to the earn-out portion contractually agreed upon in the acquisition of Kruso Art, following an agreement with the company's previous shareholders.

Net profit, amounting to € 4.4 million, increased year over year due to the better result of ordinary operations, due to the contribution deriving from the item previously described, which more than offset, as already indicated above, the negative effect of the release of the PPA (equal to € -0.45 million after taxes). The effect on the income statement is due to the reversal of the adjustments identified in the PPA:

- partial absorption of the fair value of receivables from customers amounting to € 570 thousand, specifically, the entire delta fair value of policies terminated as at 30 June 2025 was allocated in the first half of the year
- adjustments to intangible assets for the start of the Brand's amortisation plan (linear over 10 years from November 2024) amounting to € 26 thousand
- higher taxes for the release of the respective tax liabilities recorded and amounting to € 146 thousand.

The effect on the Income Statement of the PPA above is shown below:

Amounts in thousands of Euro

PPA economic effect as at 30/06/2025	
Item	**Value**
Interest income (absorption of fair value of receivables from customers)	-570
Intangible asset adjustments (linear depreciation of the brand in 10 years from November 2024)	-26
Taxes (Proportional Release of deferred taxes)	146
Total impact through profit or loss	**-450**

MAIN AGGREGATES IN THE STATEMENT OF FINANCIAL POSITION

The main asset aggregates in the statement of financial position are as follows:

Amounts in thousands of Euro

Assets	30/06/2025	31/12/2024	Change	
			€k	%
Cash and cash equivalents	**7.526,4**	**9.015,5**	**(1.489,1)**	**-17%**
Financial assets measured at amortised cost	**152.864,0**	**143.878,6**	**8.985,5**	**6%**
a) loans and receivables with banks	*98,7*	*34,0*	*64,8*	*>100%*
b) loans and receivables with customers	*152.765,3*	*143.844,6*	*8.920,7*	*6%*
Property and equipment	**4.135,1**	**4.612,5**	**(477,4)**	**-10%**
Intangible assets	**43.770,6**	**43.264,3**	**506,3**	**1%**
of which goodwill	*40.070,0*	*41.155,1*	*(1.085,2)*	-3%
Tax assets	**484,5**	**403,7**	**80,9**	**20%**
b) deferred	*484,5*	*403,7*	*80,9*	20%
Other assets	**3.247,8**	**3.308,9**	**(61,1)**	**-2%**
Total assets	**212.029,5**	**204.484,4**	**7.545,1**	**4%**

Assets, which increased by approximately 4%, mainly consist of loans and receivables with customers amounting to € 152.8 million for the collateralised lending business and goodwill totalling € 40.1 million, of which € 28.4 million arising from the acquisition of the former Intesa Sanpaolo collateralised lending business unit, of which € 1.2 million arising from the acquisition of Kruso Art and € 10.5 million from the acquisition of CEP (down from € 11.5 million on 31 December 2024 following the conclusion of the definitive price allocation process (PPA).

Following the classification of receivables adopted since the beginning of 2025, € 28.9 million of the total net receivables of € 152.3 million (net of the PPA) are classified as non-performing as at 30.06.2025 (€ 0.5 million as at 31 December 2024). In particular, non-performing past due amounts stand at € 22.4 million (no non-performing past due amounts as at 31 December 2024), the unlikely to pay amount at € 6.5 million (€ 0.5 million as at 31 December 2024), of which € 0.4 million on positions subject to seizure or blocking by the Judicial Authority (€ 0.5 million as at 31 December 2024).

The summary table is shown below:

Amounts in thousands of Euro

Gross receivables	dic24	giu-25
Performing	**143.448**	**123.412**
Stage 1	136.487	115.128
Stage 2	6.961	8.285
Non-performing	**1.004**	**29.474**
Non-performing past due	-	22.401
Unlikely to pay	1.004	7.073
Gross receivables	144.452	152.886

Amounts in thousands of Euro

Net receivables	dic24	giu-25
Performing	**143.379**	**123.400**
Stage 1	136.440	115.117
Stage2	6.940	8.283
Deteriorati	**466**	**28.881**
Scaduti deteriorati	-	22.352
Inadempienze probabili	538	6.529
Net receivables	143.845	152.281

The new credit policy defines the classification and impairment logic adopted by the Company according to a transaction level approach. With reference to the classification of non-performing receivables, in line with the regulatory provisions, reference was made to: i) days of past due status; ii) the company's decision to start the auction process; iii) the presence of restrictions on the renewal/redemption by the bearer and/or the sale at auction, e.g. for detentions/seizures by the Judicial Authority (with an impact in Italy and Portugal).

Other intangible assets vary compared to December 2024 also for part of the premium due to the acquisition of the portfolio in Italy (equal to € 1.5 million, net of the amortisation portion for the period, compared to a loan portfolio of € 8.9 million) and for the registration of the CEP brand (for € 0.4 million net of the amortisation portion for the period), resulting from the above-mentioned allocation process.

In this half-year, the process of definitive Purchase Price Allocation (PPA) was completed in accordance with the provisions of IFRS 3 – Business Combinations in relation to the acquisition of Pignus - Crédito Económico Popular completed on 7 November 2024. Therefore, the final adjustments were made to the items recorded on a provisional basis, which had resulted in the recognition of goodwill of € 11.5 million, equal to the purchase price net of the equity acquired. The final results of the process are as follows:

Amounts in thousands of Euro

Final allocation of price	
Purchase price (A)	11.559
CEP Equity as at 1 November 2024 (B)	-10
Residual value to be allocated (A+B)	**11549**
Loans and receivables with customers (fair value portfolio)	1055
Intangible assets - Brand	382
Deferred tax liabilities	-352
Goodwill	10.464

For the valuation of the portfolio, the original maturity was assumed without any renewals or partial repayments, assuming full recovery of the amount lent and other value components and a weighted average discount rate between the cost of risk capital and the cost of funding. Prudentially, for past due positions, a fair value equal to the carrying amount at the acquisition date was assumed while for policies subject to seizure, a zero fair value was assumed. Finally, the value of the brand was identified through the royalty method, but no specific intangible related to the customer list was identified.

The definitive allocation therefore entailed the redetermination of loans and receivables with customers with a higher value of € 1.1 million, the registration of intangible assets represented by brands for a total of € 0.4 million, as well as the recognition of the related deferred tax liabilities for a total of € 0.4 million with a simultaneous reduction in goodwill for a total of € 1,085 thousand.

Amounts in thousands of Euro

Liabilities and Equity	30/06/2025	31/12/2024	Change	
			€k	%
Financial liabilities measured at amortised cost	**143.131,0**	**141.829,6**	**1.301,4**	**1%**
due to banks	*134.753,0*	*136.224,6*	*(1.471,6)*	*-1%*
due to customers	*8.378,0*	*5.605,0*	*2.773,0*	*49%*
Financial liabilities measured at fair value	**1.963,6**	**-**	**1.963,6**	**n.a.**
Tax liabilities	**4.111,2**	**3.997,9**	**113,3**	**3%**
a) current	*1.304,9*	*1.658,9*	*(354,0)*	*-21%*
b) deferred	*2.806,3*	*2.339,0*	*467,4*	*20%*
Other liabilities	**7.484,0**	**7.352,9**	**131,2**	**2%**
Post-employment benefits	**819,3**	**871,8**	**(52,5)**	**-6%**
Provisions for risks and charges:	**653,6**	**971,2**	**(317,6)**	**-33%**
c) other provisions for risks and charges	*653,6*	*971,2*	*(317,6)*	*-33%*
Share capital	**24.609,6**	**24.609,6**	**-**	**0%**
Share premium	**16.907,5**	**16.907,5**	**-**	**0%**
Reserves	**7.974,6**	**3.475,4**	**4.499,2**	**>100%**
Valuation reserve	**(18,3)**	**(34,2)**	**15,9**	**-46%**
Profit for the year	**4.391,4**	**4.499,8**	**(108,4)**	**-2%**
Total Liabilities and Equity	**212.029,5**	**204.484,4**	**7.545,1**	**4%**

Financial liabilities measured at amortised cost include:

- payables to customers for € 8.4 million relating to the auction buyer's premium (for 5 years, this amount is reported in the financial statements as due to customers which becomes a contingent asset if not collected), rising due to the considerable increase in auctions and the total items auctioned;
- amounts due to banks include loans from Banca Sistema (69%) and from other banks (#6), the latter for a total of approximately € 41 million.

The item Financial liabilities designated at fair value through profit or loss refers exclusively to the issuance of a Loan Link Note in 2Q 2025 of € 2 million, the underlying of which is represented by a part of the pawn loan portfolio in Italy secured by gold.

The item Provisions for risks and charges is down compared to 31 December 2024, essentially as a result of the payment and simultaneous release, following an agreement with the previous shareholders of the company, of part of the liability relating to the earn-out portion contractually agreed upon in the acquisition of Kruso Art.

As at 30 June 2025, equity amounted to € 53.9 million, up compared to 31 December 2024 (€ 49.5 million).

The individual financial statements of Kruso Kapital and the reconciliation of the profit (loss) and equity with the consolidated profit as at 30 June 2025 are shown below:

INCOME STATEMENT

Amounts in thousands of Euro

KRUSO KAPITAL	30.06.24	30.06.25	Change YoY	
			€k	%
Interest and similar income	6.891,9	7.665,1	773,3	11%
Interest and similar expense	(2.205,2)	(2.039,9)	165,3	-7%
Net interest income	**4.686,6**	**5.625,2**	**938,6**	**20%**
Net fee and commission income (expense)	**6.609,2**	**9.830,3**	**3.221,1**	**49%**
Net income/loss from other financial assets/liabilities measured at fair v	-	**55,9**	**55,9**	**n.a.**
Total income	**11.295,8**	**15.511,4**	**4.215,6**	**37%**
Net impairment losses/gains due to credit risk	**(81,9)**	**(98,0)**	**(16,0)**	**20%**
Net financial income (expense)	**11.213,8**	**15.413,4**	**4.199,6**	**37%**
Administrative expenses:	**(6.666,9)**	**(7.383,2)**	**(716,3)**	**11%**
a) personnel expense	(3.825,8)	(3.745,9)	*79,9*	*-2%*
b) other administrative expenses	(2.841,1)	(3.637,3)	*(796,2)*	*28%*
Net impairment gains/losses on property and equipment / intangible as	**(732,7)**	**(1.043,7)**	**(311,0)**	**42%**
Other operating income (expense)	**88,0**	**25,4**	**(62,6)**	**-71%**
Operating costs	**(7.311,6)**	**(8.401,4)**	**(1.089,9)**	**15%**
Gains (Losses) on equity investments	-	190,0	190,0	n.a.
Pre-tax profit (loss) for the period	**3.902,3**	**7.202,0**	**3.299,7**	**85%**
Income taxes	(1.347,9)	(2.353,6)	(1.005,8)	75%
Net profit/loss for the period	**2.554,4**	**4.848,4**	**2.294,0**	**90%**

STATEMENT OF FINANCIAL POSITION

Amounts in thousands of Euro

KRUSO KAPITAL	30.06.25	31.12.24	Change	
			€k	%
Cash and cash equivalents	**6.296,8**	**7.393,0**	(1.096,2)	-15%
Financial assets measured at amortised cost	**132.766,3**	**127.273,5**	5.492,8	4%
of which loans and receivables with customers	*132.667,5*	*127.239,6*	*5.428,0*	4%
Equity investments	**15.848,3**	**14.988,3**	860,0	6%
Property and equipment	**2.167,2**	**2.548,8**	(381,6)	-15%
Intangible assets	**31.582,5**	**30.352,6**	1.229,9	4%
of which goodwill	*28.435,5*	*28.435,5*	-	0%
Tax assets	**484,5**	**403,7**	80,9	20%
Other assets	**2.516,8**	**2.516,6**	0,1	0%
Total assets	**191.662,3**	**185.476,6**	**6.185,7**	**3%**

Amounts in thousands of Euro

KRUSO KAPITAL	30.06.25	31.12.24	Change	
			€k	%
Financial liabilities measured at amortised cost	**123.084,0**	**123.414,6**	(330,6)	0%
of which due to banks	*114.706,4*	*117.809,9*	(3.103,5)	-3%
Financial liabilities designated at fair value through profit or loss	**1.963,6**	**-**	1.963,6	n.a.
Tax liabilities	**3.709,3**	**3.962,8**	(253,5)	-6%
a) current	*1.109,1*	*1.623,8*	*(514,7)*	*-32%*
b) deferred	*2.600,2*	*2.339,0*	*261,2*	*11%*
Other liabilities	**4.760,9**	**4.440,5**	320,4	7%
Post-employment benefits	**788,2**	**848,9**	(60,8)	-7%
Provisions for risks and charges:	**653,6**	**971,2**	(317,6)	-33%
c) other provisions for risks and charges	653,6	971,2	(317,6)	-33%
Share capital	**24.609,6**	**24.609,6**	-	0%
Share premium	**16.907,5**	**16.907,5**	**-**	**0%**
Reserves	**10.355,7**	**4.627,3**	5.728,4	>100%
Valuation reserve	**(18,3)**	**(34,2)**	15,9	-46%
Profit (Loss) for the period (+/-)	**4.848,4**	**5.728,4**	(880,0)	-15%
Total Liabilities and Equity	**191.662,3**	**185.476,6**	**6.185,7**	**3%**

Amounts in thousands of Euro

Reconciliation from Individual to Consolidated	Profit (loss)	Equity
Profit (loss)/Equity attributable to the owners of the parent	**4.848,4**	**56.702,8**
Profit (loss)/Equity attributable to subsidiaries	-457,8	-2.838,0
Consolidated Equity	**4.390,6**	**53.864,8**
Equity attributable to non-controlling interests	-	-
Group Profit (loss)/Equity	**4.390,6**	**53.864,8**

CAPITAL ADEQUACY

Information on the regulatory capital and capital adequacy on an individual basis is set out below:

Amounts in thousands of Euro

Own Funds *(€ '000)* and Capital Ratios	30/06/2025	31/12/2024
CET 1	22,979	20,257
TIER 1	22,979	20,257
Total Own Funds (Total Capital)	**22,979**	**20,257**
Total risk-weighted assets (RWA)	**97,538**	**92,018**
of which, credit risk	*46,993*	*41,473*
Ratio - CET 1	23.56%	22.01%
Ratio - TIER 1	23.56%	22.01%
Ratio - Total Capital	23.56%	22.01%

The total own funds (Total Capital) as at 30 June 2025 on an individual basis amounts to € 23 million (the same also in terms of CET1), with the Total Capital Ratio (TCR) rising to 23.6% compared to 31 December 2024 (22%). The increase in the TCR on a half-yearly basis is mainly due to the profit for the first half of 2025. The increase in RWAs from € 92.0 million as at 31 December 2024 to € 97.5 million as at 30 June 2025 is due to the new classification of receivables (albeit down on a quarterly basis).

The increase in RWAs compared to 31 December 2024 is attributable to the new policy for the classification of defaulted credits, approved by the Board of Directors on 21 March 2025 and applied as at 31 March 2025 in accordance with the feedback received from the Bank of Italy.

RISK MANAGEMENT AND SUPPORTING CONTROL METHODS

With regard to the "Risk Management System", the KK Group, in line with the directives of Banca Sistema (the parent of the banking group), has implemented a system based on four fundamental principles:

- suitable surveillance by the company bodies and functions;
- suitable risk management policies and procedures;
- suitable methods and instruments to identify, monitor and manage risks, and measuring techniques;
- thorough internal controls and independent audits.

The responsibilities for risk management and control are assigned to the corporate bodies, each of which, within its respective competencies and prerogatives, is responsible for ensuring the adequate oversight of risks to which Kruso Kapital is or may be exposed.

In compliance with applicable legal and regulatory provisions, the Group has adopted an Internal Control System structured on three levels, enabling the monitoring and management of the various risks to which the Group is exposed. More specifically, in adherence to sound and prudent management principles, the system ensures the effectiveness and efficiency of corporate processes, as well as the reliability and security of corporate information and IT procedures:

- Line controls ("first-level controls"), aimed at ensuring the proper execution of operations related to the Group's activities;
- Risk and compliance controls ("second-level controls"), designed to verify compliance with the operational limits assigned to the various functions, the alignment of business activities with the risk-return objectives, the correct implementation of risk management processes, and compliance with applicable regulations;
- Internal audit controls ("third-level controls"), aimed at identifying breaches of procedures and regulations, as well as periodically assessing the completeness, adequacy, functionality, and reliability of the internal control system and the IT system.

The second-level controls are carried out by the Compliance, Anti-Money Laundering and Risk Management Department, which continuously analyses the Group's operations to achieve a comprehensive identification of the risks to which it is exposed.

The risk management framework consists of a set of activities designed to ensure compliance with the overall level of risk that the Group is willing to assume. This includes the assessment and monitoring of specific risk indicators ("Key Risk Indicators" or "KRIs") defined by the Board of Directors of Kruso Kapital, which have been established to ensure that growth and development objectives are pursued while maintaining financial and capital soundness. This framework, which is updated annually, includes monitoring and alert mechanisms and related processes to take action in order to promptly intervene in the event of discrepancies with defined targets.

The Management Risk Function prepares a quarterly report for the corporate bodies and periodically provides all relevant information to ensure a comprehensive identification of risks at the Group level, as well as to comply with supervisory regulations.

OTHER INFORMATION

Research and Development

During 2025, no research and development was carried out.

Related party transactions

Transactions entered into with related parties and associated entities, including the related authorisation and disclosure process, are governed by the "Group Regulations for Managing Transactions with Parties in Conflict of Interest", approved by the Company's Board of Directors on 5 December 2023.

Transactions entered into with related parties and associated entities were carried out in the interest of the Company, also as part of ordinary operations. Those transactions were executed at market conditions and, in any event, based on cost-effectiveness for both parties and compliance with procedures.

Ordinary transactions concluded at conditions equal to market conditions and transactions of a negligible amount (i.e. of amounts not exceeding € 250,000), specifically issues of collateralised loan policies and auction purchases, carried out by related parties of Kruso Kapital which are part of the larger single scope of the Banca Sistema Group, fall within the scope of transactions excluded and exempted from the application of this procedure. However, such transactions are recorded and periodically brought to the attention of the Corporate Bodies.

Atypical or unusual transactions

During the year, the Group did not carry out any atypical or unusual transactions, as defined in CONSOB Communication no. 6064293 of 28 July 2006.

Significant events after the reporting date

Since the reporting date of this Report, there have been no other events to mention that have had an effect on the Group's equity, economic and financial position.

Business outlook

Interest rate trends in 2025 supported the positive contribution of the collateralised lending business to overall revenues. Based on the performance recorded in the first half of 2025 and the expectations of key market players, the price of gold is expected to be stable in 2025.

The Company expects growth in collateralised loan volumes in Italy, driven in part by portfolio acquisitions, along with further consolidation in Greece and Portugal.

No earlier than 1 January 2026 (the expected transposition date of CRR III in Bank of Italy Circular 288/2015), gold collateral will no longer be considered eligible for credit risk mitigation purposes.

The subsidiaries - PP Greece and Kruso Art - are in a phase of development for their businesses. Kruso Art specifically is operating in a sector marked by strong volatility. As a result, in 2025, based on the current performance, these companies are not expected to provide a positive contribution on the whole in terms of final profit.

With reference to the voluntary public tender offer on Banca Sistema shares promoted by Banca CF+ S.p.A., it should be noted that, subject to the occurrence of the change of control event, Kruso Kapital will be required to recognise in the income statement a total non-recurring amount estimated at approximately € 0.7 million. This amount is attributable to retention agreements and the three-year premium plan (LTI) approved in April 2024 by the shareholders' meetings of Banca Sistema and Kruso Kapital, recognised in the financial statements on an accrual basis.

Milan, 31 July 2025

For the Board of Directors

The Chairperson

Gianluca Garbi

CONDENSED INTERIM CONSOLIDATED FINANCIAL STATEMENTS AS AT 30 JUNE 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

(Amounts in thousands of Euro)

	Assets	30/06/2025	31/12/2024
10.	**Cash and cash equivalents**	**7,526**	**9,016**
40.	**Financial assets measured at amortised cost**	**152,864**	**143,879**
	a) loans and receivables with banks	99	34
	b) loans and receivables with customers	152,765	143,845
80.	**Property and equipment**	**4,135**	**4,612**
90.	**Intangible assets**	**43,771**	**43,264**
	of which:		
	- goodwill	40,070	41,155
100.	**Tax assets**	**485**	**404**
	a) current	-	-
	b) deferred	485	404
120.	**Other assets**	**3,248**	**3,309**
	TOTAL ASSETS	212,029	204,484

	Liabilities and Equity	30/06/2025	31/12/2024
10.	**Financial liabilities measured at amortised cost**	**143,131**	**141,830**
	a) liabilities	143,131	141,830
30.	**Financial liabilities designated at fair value through profit or loss**	**1,964**	**-**
60.	**Tax liabilities**	**4,111**	**3,998**
	a) current	1,305	1,659
	b) deferred	2,806	2,339
80.	**Other liabilities**	**7,484**	**7,354**
90.	**Post-employment benefits**	**819**	**872**
100.	**Provisions for risks and charges:**	**654**	**971**
	c) other provisions for risks and charges	654	971
110.	**Share capital**	**24,610**	**24,610**
140.	**Share premium**	**16,908**	**16,908**
150.	**Reserves**	**7,975**	**3,475**
160.	**Valuation reserves**	**(18)**	**(34)**
170.	**Consolidated profit for the period**	**4,391**	**4,500**
	TOTAL LIABILITIES AND EQUITY	212,029	204,484

CONSOLIDATED INCOME STATEMENT

(Amounts in thousands of Euro)

	Items	30/06/2025	30/06/2024
10.	Interest and similar income	8,988	6,913
	of which: interest income calculated using the effective interest rate method	8,988	6,913
20.	Interest and similar expense	(2,372)	(2,235)
30.	**Net interest income**	**6,616**	**4,678**
40.	Fee and commission income	10,727	6,894
50.	Fee and commission expense	(125)	(79)
60.	**Net fee and commission income (expense)**	**10,602**	**6,815**
110.	Net income from other financial assets and liabilities measured at fair value through profit or loss	56	-
	a) financial assets and liabilities designated at fair value through profit or loss	56	-
120.	**Total income**	**17,274**	**11,493**
130.	Net impairment losses/gains due to credit risk (+/-) related to:	(74)	(82)
	a) financial assets measured at amortised cost	(74)	(82)
150.	**Net financial income (expense)**	**17,200**	**11,411**
160.	Administrative expenses:	(9,363)	(7,425)
	a) personnel expense	(4,704)	(4,107)
	b) other administrative expenses	(4,659)	(3,318)
180.	Net impairment gains/losses on property and equipment	(712)	(509)
190.	Net impairment gains/losses on intangible assets	(645)	(310)
200.	Other operating income/expense	139	87
210.	**Operating costs**	**(10,581)**	**(8,157)**
220.	Gains (Losses) on equity investments	190	-
260.	**Pre-tax profit (loss) from continuing operations**	**6,809**	**3,254**
270.	Income taxes on continuing operations	(2,418)	(1,348)
300.	**CONSOLIDATED PROFIT FOR THE PERIOD**	**4,391**	**1,906**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

(Amounts in thousands of Euro)

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	Items	30/06/2025	30/06/2024
10.	**Profit for the period**	**4,391**	**1,906**
	Other comprehensive income net of taxes, without reversal to the income statement		
70.	Defined-benefit plans	16	(7)
170.	**Total other comprehensive income net of taxes**	**16**	**(7)**
180.	**Comprehensive income (Item 10+170)**	**4,407**	**1,899**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30/06/2025

(Amounts in thousands of Euro)

	Balances as at 31.12.2024	Change in opening balances	Balances as at 1.1.2025	Allocation of previous year's profit		Changes during the year							Equity attributable to the owners of the parent at 30.06.2025	Equity attributable to non-controlling interests at 30.06.2025
						Changes in reserves	Transactions on equity					Comprehensive income at 31/03/2025		
				Reserves	Dividends and other allocations		Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Changes in equity instruments	Other changes			
Share capital	**24,610**	-	**24,610**				-						**24,610**	-
Share premium	**16,908**	-	**16,908**				-						**16,908**	-
Reserves	**3,475**	-	**3,475**	**4,500**		**-**							**7,975**	-
a) profit	3,475	-	3,475	4,500									7,975	-
b) other	-	-	-			-							-	-
Valuation reserves	**(34)**	-	**(34)**									**16**	**(18)**	-
Equity instruments	**-**	-	-										-	-
Treasury shares	**-**	-	-										-	-
Profit for the period	**4,500**	-	**4,500**	**(4,500)**								**4,391**	**4,391**	-
Equity attributable to the owners of the parent	**49,459**	-	**49,459**	-	-	-	-	-	-	-	-	**4,407**	**53,866**	-
Equity attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY AS AT 30/06/2024

(Amounts in thousands of Euro)

	Balances as at 31.12.2023	Change in opening balances	Balances as at 1.1.2024	Allocation of previous year's profit		Changes during the year							Equity attributable to the owners of the parent at 30.06.2024	Equity attributable to non-controlling interests at 30.06.2024
						Changes in reserves	Transactions on equity					Comprehensive income at 30/06/2024		
				Reserves	Dividends and other allocations		Issue of new shares	Purchase of treasury shares	Extraordinary dividend distribution	Changes in equity instruments	Other changes			
Share capital	**23,162**	-	**23,162**				1,447						**24,610**	-
Share premium	**15,838**	-	**15,838**				1,070						**16,908**	-
Reserves	**597**	**-**	**597**	**2,885**									**3,475**	**-**
a) profit	591	-	591	2,885									3,475	-
b) other	6	-	6			(6)							-	-
Valuation reserves	**(27)**	-	**(27)**									**(7)**	**(34)**	-
Equity instruments	-	-	-										-	-
Treasury shares	-	-	-										-	-
Profit for the period	**2,885**	-	**2,885**	**(2,885)**								**1,906**	**1,906**	-
Equity attributable to the owners of the parent	**42,455**	-	**42,455**	-	-	**(6)**	**2,517**	-	-	-	-	**1,899**	**46,865**	-
Equity attributable to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	-	-	-

CONSOLIDATED STATEMENT OF CASH FLOWS (indirect method)

(Amounts in thousands of Euro)

A. OPERATING ACTIVITIES	30/06/2025	30/06/2024
1. Operations	**9,717**	**6,759**
Profit (loss) for the period	4,391	1,906
Gains/losses on financial assets held for trading and on other assets/liabilities measured at fair value through profit or loss (-/+)	(56)	
Gains/losses on hedging activities (-/+)		
Net impairment losses due to credit risk (+/-)		
Net impairment losses on property and equipment and intangible assets (+/-)	74	82
Net accruals to provisions for risks and charges and other costs/income (+/-)	1,357	819
Taxes, duties and tax assets not settled (+/-)	1,630	1,068
Net impairment losses on discontinued operations, net of the tax effect (+/-)		
Other adjustments (+/-)	2,321	2,884
2. Liquidity generated/used by financial assets	**(11,064)**	**(2,882)**
Financial assets held for trading		
Financial assets designated at fair value through profit or loss		
Other financial assets mandatorily measured at fair value through profit or loss		
Financial assets measured at fair value through other comprehensive income		
Financial assets measured at amortised cost	(9,028)	(2,710)
Other assets	(2,036)	(172)
3. Liquidity generated/used by financial liabilities	**20**	**(3,061)**
Due to banks	(393)	(546)
Due to financial corporations		
Due to customers		
Securities in issue		
Financial liabilities held for trading		
Financial liabilities designated at fair value through profit or loss	2,020	
Other liabilities	(1,607)	(2,515)
Net liquidity generated/used by operating activities	**(1,327)**	**816**
B. INVESTING ACTIVITIES		
1. Liquidity generated by	**-**	**-**
Sales of equity investments		
Dividends collected on equity investments		
Sales of property and equipment		
Sales of intangible assets		
Sales of business units		
2. Liquidity used by	**(163)**	**(762)**
Purchases of equity investments		
Purchases of property and equipment	(22)	(85)
Purchases of intangible assets	(141)	(677)
Purchases of business units		
Net liquidity generated/used by investing activities	**(163)**	**(762)**
C. FUNDING ACTIVITIES		
Issues/purchases of treasury shares		
Issues/purchases of equity instruments		2,518
Dividend distributions and other allocations		
Acquisitions and disposals of subsidiaries and other business units		
Net liquidity generated/used by funding activities	**-**	**2,518**
NET LIQUIDITY GENERATED/USED DURING THE PERIOD	**(1,490)**	**2,572**

RECONCILIATION

	Amount	
	30/06/2025	30/06/2024
Cash and cash equivalents at the beginning of the year	**9,016**	**6,710**
Total net liquidity generated/used during the period	(1,490)	2,572
Cash and cash equivalents: exchange rate effects		
Cash and cash equivalents at the end of the year	**7,526**	**9,282**

KEY: (+) generated (–) used

EXPLANATORY NOTES

PART A – ACCOUNTING POLICIES

Declaration of compliance with the International Accounting Standards

The Condensed Interim Consolidated Financial Statements of the Group as at 30 June 2025 have been prepared in compliance with Article 18 of the Issuers' Regulation of the EGM market of Borsa Italiana, in compliance with the international accounting standards—referred to as the IAS/IFRS—issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC), as endorsed by the European Commission pursuant to Regulation (EC) No. 1606 of 19 July 2002. This regulation was transposed into Italian law under Article 1 of Legislative Decree No. 38 of 28 February 2005. The financial statements also take into account the provisions issued by the Bank of Italy concerning "Financial statements of IFRS intermediaries other than banking intermediaries, as the Group operates in the collateralised loan sector and the parent Kruso Kapital is registered under No. 19493 in the Register of Financial Intermediaries pursuant to Article 106 of the Consolidated Law on Banking, maintained by the Bank of Italy.

The condensed interim consolidated financial statements are drawn up in condensed form in compliance with IAS 34, with specific reference to the methods of presenting financial disclosure, supplemented by other legislative and regulatory rules on the matter.

The specific accounting standards adopted have not been changed compared to the financial statements as at 31 December 2024.

General drafting principles

The condensed interim consolidated financial statements is comprised of the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the explanatory notes. They are also accompanied by the director's report on the performance of the Group.

The consolidated statement of financial position present comparative figures relating to the consolidated financial statements for the year ended as at 31 December 2024, while the consolidated income statement, the consolidated statement of comprehensive income and the consolidated statement of cash flows present comparative figures as at 30 June 2024.

The general principles underpinning the drafting of the accounts in the condensed interim consolidated financial statements are illustrated below:

- the assessments are made with a view to the company operating as a going concern, where it is specified that the Directors saw no uncertainties that could generate doubts about that situation;
- costs and revenues are recognised on an accruals basis;
- to ensure the comparability of the data and information in the statements and explanatory notes, the presentation and classification methods remain the same over time unless they are changed to make another presentation of data more appropriate;
- each significant class of items is presented separately in the statement of financial position and income statement. Items with different nature or purpose are presented separately unless those differences are considered irrelevant;
- the statement of financial position and income statement tables do not indicate accounts that had no values for the period in question or for the previous period;
- if an asset or liability element falls within several items of the statement of financial position, only when it is necessary for the correct understanding of the condensed interim consolidated financial statements, the explanatory notes will highlight the item's belonging to items other than the one in object;
- offsetting of balances is not performed, except in cases expressly required or permitted by an international accounting standard, an interpretation, or the provisions of the Bank of Italy's regulation on IFRS intermediaries other than banking intermediaries.
- the accounts of the condensed interim consolidated financial statements have been drawn up prioritising substance over form and in compliance with the principle of relevance and materiality of the information;
- as mentioned above, the consolidated statement of financial position present comparative figures relating to the consolidated financial statements for the year ended as at 31 December 2024, while the consolidated income statement, the consolidated statement of comprehensive income and the consolidated statement of cash flows present comparative figures as at 30 June 2024.
- the layout recommended by the Bank of Italy was used with reference to the information reported in the explanatory notes. The tables included in this layout were not presented if they were not applicable to the Group's business.

In drawing up the condensed interim consolidated financial statements in compliance with the IAS/IFRS, the company management must make assessments, estimates and assumptions that could influence the amounts of assets, liabilities, costs and revenues recognised during the period. The use of estimates is an essential part of preparing the condensed interim consolidated financial statements. Specifically, the most significant use of estimates and assumptions in the condensed interim consolidated financial statements is attributable to:

- the valuation of loans and receivables with customers, which requires a complex estimation process characterised by a high degree of uncertainty and subjectivity. Their value is estimated by using models that include numerous quantitative and qualitative elements. These include the historical data for collections, expected cash flows and the related expected recovery times, the existence of indicators of possible impairment, the valuation of any guarantees, and the impact of risks associated with customers;
- the estimation of any impairment of goodwill;
- the quantification and estimation carries out to recognise liabilities of uncertain amount or maturity in the provisions for risks and charges;
- post-employment benefits and other benefits due to employees (including obligations regarding defined-benefit plans);
- the recoverability of deferred tax assets.

It is noted that estimates may be adjusted following changes to the underlying basis of the estimate or following new information or greater experience. Any change in the estimates is applied prospectively and thus generate impacts on the income statement for the year in which the change occurs.

The accounting policies adopted in drawing up the condensed interim consolidated financial statements, in terms of the criteria for classification, recognition, valuation and derecognition of the various asset and liability items, as well as the principles for recognising revenues and costs remained unchanged on those adopted in the consolidated financial statements as at 31 December 2024, to which reference is made, with the exception of the following:

Financial liabilities measured at fair value

Recognition criteria

The financial instruments in question are recognised on the date of subscription or at the date of issue, at a value equal to the fair value of the instrument, without considering any transaction income or costs directly attributable to the instruments themselves. In particular, CLNs are included in this category of liabilities.

Measurement criteria

All liabilities measured at fair value are measured at fair value with the result of the measurement recognised in the Income Statement.

Derecognition criteria

Financial liabilities measured at fair value are eliminated from the financial statements when the contractual rights on the related cash flows expire or when the financial liability is assigned, with a substantial transfer of all the risks and benefits deriving from its ownership.

Subsequent events

No events occurred that would require any adjustments to the figures in the condensed interim consolidated financial statements as at 30 June 2025.

Other aspects

Auditing of the financial statements

The condensed interim consolidated financial statements as at 30 June 2025 were subject to a voluntary audit by the independent auditors BDO Italia S.p.A.

Scope and methods of consolidation

1. Investments in wholly owned subsidiaries

The condensed interim consolidated financial statements include the parent, Kruso Kapital S.p.A., and the following subsidiaries:

Company Name	Headquarters /Registered office	Type of Relationship (1)	Investment relationship		% of available votes (2)
			Investor company	% Share	
Companies					
ProntoPegno Greece	Greece	1	Kruso Kapital	100%	100%
Kruso Art	Italy	1	Kruso Kapital	100%	100%
Pignus - Credito Economico Popular	Portugal	1	Kruso Kapital	100%	100%

(1) Type of relationship

1. = majority of voting rights in the Ordinary Shareholders' Meeting

2. = dominant influence in the Ordinary Shareholders' Meeting

3. = agreements with other shareholders

4. = other forms of control

5. = unitary management pursuant to Article 26, paragraph 1 of "Legislative Decree 87/92"

6. = unitary management pursuant to Article 26, paragraph 2 of "Legislative Decree 87/92"

7. = joint control (2) Available voting rights at the ordinary Shareholders' Meeting, with separate indication of effective and potential rights

Key judgements and assumptions in determining the scope of consolidation

Full consolidation

The subsidiaries are consolidated on a line-by-line basis. The concept of control goes beyond the majority of percentage of equity investment in the investee and is defined as the power to determine the operational and financial policies of the investee in order to obtain the benefits of its business.

This consolidation aggregates "line-by-line" the balances of the statement of financial position and income statement of the subsidiaries' financial statements. To that end, the following adjustments are made:

(a) the carrying amount of the equity investments held by the Parent and the corresponding portion of equity are eliminated;

(b) the share of equity and profit or loss for the year is recognised in a specific item.

The results of the adjustments, if positive, are recognised - after any posting to the subsidiary's asset or liability items - as goodwill under item "90 Intangible assets" on the date of initial consolidation. The resulting differences, if negative, are posted to the income statement. Intercompany balances and transactions, including revenues, costs and dividends, are fully eliminated. The income statement results of a subsidiary acquired during the year are included in the condensed interim consolidated financial statements starting from the date of acquisition. Likewise, the income statement results of a subsidiary sold are included in the condensed interim consolidated financial statements until the date on which control ceased. The accounting statements used in preparing the condensed interim consolidated financial statements are drawn up at the same date. The condensed interim consolidated financial statements are drawn up using accounting standards that are uniform for similar transactions and facts. If a subsidiary uses different accounting standards than those adopted in the condensed interim consolidated financial statements for similar transactions and facts under similar circumstances, adjustments are made to its accounting statements for the purpose of consolidation.

Consolidation at equity

Associates are consolidated using the synthetic equity method.

The equity method requires the initial recognition of the equity investment at cost, and its subsequent value adjustment based on the share of equity held in the investee.

The differences between the value of the equity investment and the equity of the specific investee are included in the carrying amount of the investee.

In valuing the specific share, potential voting rights, if any, are not considered.

The specific share of the profit (loss) for the year of the investee is recognised in a specific item of the consolidated income statement.

If there is evidence that an equity investment may be impaired, the recoverable value of said equity investment is estimated by considering the present value of future cash flows that the investment could generate, including the final disposal value of the investment.

At 30 June 2025, there were no investments in associated companies that are consolidated using the equity method.

Investments in wholly owned subsidiaries with significant non-controlling interests

As of 30 June 2025, there are no wholly owned subsidiaries with significant non-controlling interests.

Significant restrictions

As of 30 June 2025, there are no significant legal, contractual, or regulatory restrictions.

Other information

There are no subsidiary financial statements used in the preparation of the condensed interim consolidated financial statements that refer to a different reporting date than that of the condensed interim consolidated financial statements.

INFORMATION ON THE MAIN ITEMS OF THE FINANCIAL STATEMENTS

The condensed interim consolidated financial statements derive from the application of the International Accounting Standards and the valuation criteria adopted with a view to the company as a going concern, and in compliance with the principles of accrual, materiality of information and the prevalence of economic substance over legal form.

In drawing up the condensed interim consolidated financial statements in compliance with the IAS/IFRS, the company management must make assessments, estimates and assumptions that could influence the amounts of assets, liabilities, costs and revenues recognised during the period, as described above.

A.3 DISCLOSURE ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

A.3.1 Reclassified financial assets: change of business model, carrying amount and interest income

No transfers of financial instruments between portfolios were carried out.

A.3.2 Reclassified financial assets: change in business model, fair value and effects on comprehensive income

No financial assets were reclassified.

A.3.3 Reclassified financial assets: change of business model and effective interest rate

No financial assets held for trading were transferred.

A.4 - FAIR VALUE DISCLOSURE

General principles for measuring fair value

The Company regulates and formalises the measurement of the fair value of financial instruments through specific Fair Value Measurement Guidelines and Rules.

IFRS 13, which harmonises the measurement rules and related disclosures, defines fair value as the price that would be received for the sale of an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Therefore, fair value is a market valuation criterion that is independent of specific characteristics of the individual entity. This valuation assumes that the company operates in the normal course of its business, with no intention of liquidation, significant reduction in assets or execution of operations under unfavourable conditions.

The Company determines fair value by using the assumptions that market participants would use when pricing the asset or the liability, assuming they are acting in their best economic interest. The valuation assumes that the transaction takes place:

a) in the principal active market for the asset or liability;
b) in the absence of a principal market, in the most advantageous market for the asset or liability.

An entity need not undertake an exhaustive search of all possible markets but it shall take into account all information that is reasonably available. In the absence of evidence to the contrary, the market in which the entity would normally enter into a transaction is presumed to be the principal market or, alternatively, the most advantageous market.

An active market is one in which transactions take place frequently and in volumes that are such to provide prices that can be used on an ongoing basis. A financial instrument is considered to be traded on an active market if prices are readily available from official sources (price lists, dealers, price agencies, regulatory authorities) and represent actual transactions that take place under normal operating conditions.

In specific cases, even in the presence of official prices, in-depth studies can be carried out to assess their significance. If a significant reduction in liquidity is detected (e.g. low number of transactions, bid-ask enlargement, reduction in new issues, etc.), it is necessary to analyse available transactions and prices in detail. A reduction in volume or activity, in itself, does not imply that prices do not represent fair value, but in the presence of non-ordinary transactions, an adjustment of the prices used as the basis of valuation may be required.

Qualitative disclosure

A.4.1 Fair value levels 2 and 3: valuation techniques and inputs used

- Credit Linked Notes

  Credit Linked Notes are measured by applying an income-based approach that considers the discounting of expected future cash flows. Given the structured nature of the instrument, cash flows are determined by using Monte Carlo simulation models that allow the evolution of defaults and recoveries associated with the reference portfolio to be represented.

  The discount rate reflects the risk profile of the instrument and is constructed on the basis of risk-free market curves.

Underlying Class	**Valuation Models Used**	**Key market data and model input parameters**
Commodity	Monte Carlo Simulation	Gold futures prices, interest rate curves (6-month Euribor), historical probability of default (PD) of the underlying, exchange rate curves (Euro-dollar)

The measurement of financial assets and liabilities not measured at fair value on a recurring basis

Finally, for financial assets and liabilities measured at amortised cost, the fair value of which is determined for information purposes regarding the explanatory notes only, it is specified:

- the fair value of bonds is determined by applying the same methodologies set out above;

- the measurement of the fair value of other medium and long-term financial assets and liabilities is carried out by discounting future cash flows based on the discount rate adjustment approach according to which provides credit risk factors are considered in the discount rate of future cash flows;
- for short-term assets and liabilities, the carrying amount is assumed as a reasonable approximation of fair value.

For more information reference is made to paragraph A.4.5.4. As required by IFRS 13, the following table shows, for financial assets and financial liabilities measured at level 2 fair value, the quantitative information on significant unobservable inputs used in fair value the measurements.

Financial assets and liabilities	Measurement techniques	Main unobservable inputs	Minimum value of the variation range	Maximum value of the variation range	Unit	Favourable FV changes	Unfavourable FV changes
Credit Linked Notes	Monte Carlo Simulation	Recovery rate	X	X	%	X	X

A.4.2 Valuation processes and sensitivity

As required by IFRS 13, the table below shows, for financial assets and liabilities measured at level 2 fair value, the effects of the change in one or more of the significant unobservable parameters used in the measurement techniques adopted to determine fair value.

Financial assets / liabilities	Unobservable parameters	Sensitivity	Unobservable parameter change
Credit Linked Notes	Historical probability of default	X	X

A.4.3 Fair value hierarchy

For the purposes of preparing the financial statements, the fair value hierarchy used is the following:

Level 1- Effective market quotes

The valuation is the market price of the same financial instrument being valued, obtained based on prices on an active market.

Level 2 - Comparable Approach

Level 3 - Mark-to-Model Approach

A.4.4 Other information

This item is not applicable to the Group.

STATEMENT OF FINANCIAL POSITION

ASSETS

CASH AND CASH EQUIVALENTS – ITEM 10

1.1 Cash and cash equivalents: breakdown

	30/06/2025	31/12/2024
a) Cash	1,654	1,714
b) Demand deposits at Central Banks		
c) Current accounts and deposits at banks	5,872	7,302
Total	**7,526**	**9,016**

The "Cash" item includes cash holdings at the 15 branches in Italy, the branch in Greece, and the 16 branches in Portugal.
The item "Current accounts and demand deposits with banks" includes account balances held with both domestic and foreign credit institutions.

FINANCIAL ASSETS MEASURED AT AMORTISED COST - ITEM 40

4.1 Financial assets measured at amortised cost: breakdown of loans and receivables with banks by product

Breakdown	30/06/2025						31/12/2024					
	Carrying amount			Fair value			Carrying amount			Fair value		
	First and second stage	Third stage	Purchased or originated credit-impaired	L1	L2	L3	First and second stage	Third stage	Purchased or originated credit-impaired	L1	L2	L3
1. Term deposits												
2. Current accounts												
3. Financing												
3.1. Repurchase agreements												
3.2 Financing for leases												
3.3 Factoring												
- with recourse												
- without recourse												
3.4 Other financing												
4. Debt securities												
4.1 Structured instruments												
4.2 Other debt instruments												
5. Other assets	99					99	34					34
Total	**99**					**99**	**34**					**34**

Key
L1 = Level 1
L2 = Level 2
L3 = Level 3

4.3 *Financial assets measured at amortised cost: breakdown of loans and receivables with customers by product*

Breakdown	**30/06/2025**						**31/12/2024**					
	Carrying amount			Fair value			Carrying amount			Fair value		
	First and second stage	Third stage	Purchased or originated credit-impaired	L1	L2	L3	First and second stage	Third stage	Purchased or originated credit-impaired	L1	L2	L3
1. Financing	**123,884**	**28,881**				**152,765**	**143,379**	**466**				**143,845**
1.1 Financing for leases												
of which, without a final purchase option												
1.2 Factoring												
- with recourse												
- without recourse												
1.3 Consumer credit												
1.4 Credit cards												
1.5 Collateralised loans	123,884	28,881				152,765	143,379	466				143,845
1.6 Loans granted in relation to payment services provided												
1.7 Other financing												
of which: from enforced guarantees and commitments												
2. Debt securities												
2.1 Structured instruments												
2.2 Other debt instruments												
3. Other assets												
Total	**123,884**	**28,881**				**152,765**	**143,379**	**466**				**143,845**

Key
L1 = Level 1
L2 = Level 2
L3 = Level 3

The difference inherent in the third stage compared to 31.12.2024 is the result of the adoption of a new credit policy in 2025.

4.4 Financial assets measured at amortised cost: breakdown of loans and receivables with customers by debtor/issuer

Type of operation/Amounts	30/06/2025			31/12/2024		
	First and second stage	Third stage	Purchased or originated credit-impaired	First and second stage	Third stage	Purchased or originated credit-impaired
1. Debt securities						
a) Public administration						
b) Non-financial corporations						
2. Financing to:	**123,884**	**28,881**		**143,379**	**466**	
a) Public administration						
b) Non-financial corporations						
c) Households	123,884	28,881		143,379	466	
3. Other assets						
Total	**123,884**	**28,881**		**143,379**	**466**	

4.5 Financial assets measured at amortised cost: gross amount and total impairment losses

	Gross amount					Total impairment losses				Overall partial write-offs (*)
	First stage		Second stage	Third stage	Purchased or originated credit-impaired	First stage	Second stage	Third stage	Purchased or originated credit-impaired	
		of which instruments with low credit risk								
Debt securities										
Financing	115,711		8,285	29,474		11	2	593		
Other assets										
Total 2025	**115,711**		**8,285**	**29,474**		**11**	**2**	**593**		
Total 2024	**123,531**		**100**	**919**		**22**	0	**411**		

** Amount disclosed for information purposes*

PROPERTY AND EQUIPMENT – ITEM 80

8.1 Operating property and equipment: breakdown of assets measured at cost

Assets/Amounts	30/06/2025	31/12/2024
1 Owned assets	**712**	**1,040**
a) land		
b) buildings		
c) furniture	188	552
d) electronic plant	512	474
e) other	12	14
2 Assets acquired under finance lease	**3,423**	**3,572**
a) land		
b) buildings	3,310	3,472
c) furniture		
d) electronic plant		
e) other	113	101
Total	**4,135**	**4,612**
of which: obtained by enforcing guarantees received		

The item “Assets acquired under finance lease” includes, in accordance with IFRS 16, right-of-use assets related to properties and vehicles.

INTANGIBLE ASSETS – ITEM 90

9.1 Intangible assets: breakdown

Assets/Amounts	30/06/2025		31/12/2024	
	Assets measured at cost	Assets measured at fair value	Assets measured at cost	Assets measured at fair value
1. Goodwill	**40,070**		**41,155**	
2. Other intangible assets	**3,701**		**2,109**	
of which: software				
2.1 Owned	3,701		2,109	
- internally generated assets				
- other	3,701		2,109	
2.2 Acquired under finance lease				
Total 2	**3,701**		**2,109**	
3. Assets related to finance leases				
3.1 unexercised assets				
3.2 repossessed assets following contract termination				
3.3 other assets				
Total 3	**-**		**-**	
Total (1+2+3)	**43,771**		**43,264**	
Total 2024	**43,264**			

Composition of consolidated goodwill

Intangible assets refer to goodwill of € 40.1 million, broken down as follows:

- the goodwill amounting to € 28.4 million arising from the acquisition of the former Intesa Sanpaolo collateralised lending business unit completed on 13 July 2020;
- goodwill of € 1.2 million, resulting from the acquisition of Kruso Art that was completed on 2 November 2022.
- goodwill of € 10.5 million, resulting from the acquisition of Pignus - Crédito Economico Popular, which was completed on 7 November 2024. The value is to be considered definitive following the conclusion of the process of definitive Purchase Price Allocation (PPA) in the first half of 2025. Therefore, the final adjustments were made to the items recorded on a provisional basis, which had resulted in the recognition of goodwill of € 11.5 million, equal to the purchase price net of the equity acquired.

The Company has assessed whether there are any triggers of impairment of goodwill and equity investments recognised in the financial statements, in particular of Kruso Art, in light of half-year results that were lower than expected. A stress test was carried out on the 2025/27 plan of the subsidiaries. As at 30 June 2025, the analysis did not reveal any elements that would require a reduction in the value to be posted in the interim financial statements.

OTHER ASSETS - ITEM 120

12.1 Other assets: breakdown

	30/06/2025	31/12/2024
Leasehold improvements	1,581	1,826
Prepayments	682	387
Trade receivables	404	767
Work in progress	311	127
Supplier advances	143	120
Other	46	0
Loans and receivables with employees	43	46
Security deposits	38	36
Total	**3,248**	**3,309**

This item mainly consists of leasehold improvements (branches) that do not have independent functionality and usability but are expected to provide future benefits.

LIABILITIES

FINANCIAL LIABILITIES MEASURED AT AMORTISED COST - ITEM 10

1.1 Financial liabilities measured at amortised cost: breakdown by product

Type of operation/Amounts	30/06/2025			31/12/2024		
	to banks	to financial corporations	to customers	to banks	to financial corporations	to customers
1. Financing	134,194			136,164		
1.1 Repurchase agreements						
1.2 Other financing	134,194			136,164		
2. Lease liabilities						
3. Other payables	559		8,378	61		5,605
Total	**134,753**		**8,378**	**136,225**		**5,605**
Fair value - Level 1						
Fair value - Level 2						
Fair value - Level 3	134,753		8,378	136,225		5,605
Total Fair value	**134,753**		**8,378**	**136,225**		**5,605**

The item "Other financing from banks" consists of approximately € 93.5 million in overdrafts with the Group Parent, Banca Sistema, which represents the primary funding source, and the remaining portion consists of loans received from Italian credit institutions in the form of short-term financing and overdraft facilities.

The item "Other amounts due to banks" consists of trade payables to the parent, Banca Sistema.

The item "Other payables due to customers" consists entirely of auction buyer’s premiums to be returned to customers.

FINANCIAL LIABILITIES DESIGNATED AT FAIR VALUE - ITEM 30

3.1 Financial liabilities designated at fair value through profit or loss: breakdown

Type of operation/Amounts	30/06/2025					31/12/2024				
	Nominal amount	Fair value			Fair Value (*)	Nominal amount	Fair value			Fair Value (*)
		L1	L2	L3			L1	L2	L3	
1. Loans and payables										
of which:										
- commitments to disburse funds		X	X	X	X		X	X	X	X
- financial guarantees issued		X	X	X	X		X	X	X	X
2. Debt securities	**1,995**		**1,964**							
Bonds										
- structured					X					X
- other					X					X
Other securities	1,995		1,964							
- structured					X					X
- other	1,995		1,964		X					X
TOTAL	**1,995**		**1,964**							

Fair value = Fair value calculated excluding changes in value due to differences in the issuer's credit rating since the date of issue*

The item refers exclusively to the issue of a CLN whose reference underlying is represented by a part of the pawn loan portfolio secured by gold. The issue is part of the plan to diversify funding sources and align the funding structure with the average maturity of assets.

The pledges are represented by gold assets of varying carats.

The measurement of the level 2 fair value hierarchy is consistent with the prevalence of observable inputs in the determination of fair value, the non-significance of non-observable inputs pursuant to the IFRS 13 framework and the Group's FV policy, the absence of structural elements attributable to complex products such as ABS or NTD baskets and the absence of separable implicit derivatives or non-linear options that are such to modify the economic profile of the flow.

OTHER LIABILITIES - ITEM 80

8.1 Other liabilities: breakdown

	30/06/2025	31/12/2024
Finance lease liabilities	3,335	3,770
Trade payables	1,345	1,085
Accrued expenses	1,251	1,237
Items in transit	762	371
Due to employees	473	160
Pension transfers	171	300
Payables to the tax authorities and other tax entities	146	431
Other	1	1
Total	**7,484**	**7,354**

POST-EMPLOYMENT BENEFITS - ITEM 90

9.1 Post-employment benefits: annual changes

	30/06/2025	31/12/2024
A. Opening balance	**872**	**900**
B. Increases	**241**	**434**
B.1 Allocations for the period	241	418
B.2 Other increases		16
C. Decreases	**294**	**462**
C.1 Liquidations made	163	163
C.2 Other decreases	131	299
D. Closing balances	**819**	**872**

9.2 Other information

The actuarial value of the provision was calculated by an external actuary, who issued a specific appraisal.
The other decreases, in addition to the amount recorded during the half year as actuarial measurement, include transfers to supplementary pension funds. The liquidations made refer to shares of the provisions for post-employment benefits liquidated during the period.

PROVIDERS FOR RISKS AND CHARGES - ITEM 100

10.1 Provisions for risks and charges: breakdown

Items/Values	30/06/2025	31/12/2024
1. Provisions for credit risk related to commitments and financial guarantees issued		
2. Provisions for other commitments and other guarantees issued		
3. Company pension funds		
4. Other provisions for risks and charges	654	971
4.1 legal and tax disputes		
4.2 personnel expense	614	631
4.3 other	40	340
Total	**654**	**971**

The "Other" item includes the balancing entry of the residual liability for the earn-out portion contractually agreed upon in the acquisition of Art-Rite Srl.

10.2 Provisions for risks and charges: annual changes

	Provisions for other commitments and other guarantees issued	Pension funds	Other provisions for risks and charges	Total
A. Opening balance			**971**	**971**
B. Increases			**23**	**23**
B.1 Allocations for the period			7	
B.2 Changes due to the passing of time				
B.3 Changes due to discount rate changes				
B.4 Other changes			16	
C. Decreases			**340**	**340**
C.1 Utilisations			150	
C.2 Changes due to discount rate changes				
C.3 Other changes			190	
D. Closing balances			**654**	**654**

EQUITY ATTRIBUTABLE TO THE OWNERS OF THE PARENT – ITEMS 110, 120, 130, 140, 150, 160 and 170

The share capital consists of 24,609,596 ordinary shares, each with a nominal amount of € 1, and remained unchanged during the half of 2025.

11.1 Share Capital: breakdown

Type	Amount
1. Share capital	**24,610**
1.1 Ordinary shares	24,610

11.4 Share premium: breakdown

Component	Amount
Share premium	16,908
Total	**16,908**

OTHER INFORMATION

The Group has no outstanding commitments nor has it issued any financial guarantees (other than those designated at fair value).

The Group has no outstanding commitments or other guarantees issued.

INCOME STATEMENT

INTEREST - ITEMS 10 AND 20

1.1 Interest and similar income: breakdown

Items/Technical forms	Debt securities	Financing	Other transactions	30/06/2025	30/06/2024
1. Financial assets measured at fair value through profit or loss:					
1.1 Financial assets held for trading					
1.2 Financial assets designated at fair value through profit or loss					
1.3 Other financial assets mandatorily measured at fair value					
2. Financial assets measured at fair value through other comprehensive income					
3. Financial assets measured at amortised cost		8,988	X	8,988	6,913
3.1 Loans and receivables with banks		31	X	31	47
3.2. Loans and receivables from financial corporations			X		
3.3 Loans and receivables with customers		8,957	X	8,957	6,866
4. Hedging derivatives	X	X			
5. Other assets	X	X			
6. Financial liabilities	X	X	X		
Total		**8,988**		**8,988**	**6,913**
of which: interest income on impaired assets					
of which: interest income on finance leases	X		X		

1.3 Interest and similar expense: breakdown

Items/Technical forms	Loans and payables	Securities	Other	30/06/2025	30/06/2024
1. Financial liabilities measured at amortised cost	(2,324)			(2,324)	(2,216)
1.1 Due to central banks					
1.2 Due to banks	(2,324)	X		(2,324)	(2,216)
1.3 Due to financial corporations		X			
1.4 Due to customers		X			
1.5 Securities in issue	X				
2. Financial liabilities held for trading					
3. Financial liabilities designated at fair value through profit or loss					
4. Other liabilities and provisions	X	X	(48)	(48)	(19)
5. Hedging derivatives	X	X			
6. Financial assets	X	X	X		
Total	**(2,324)**		**(48)**	**(2,372)**	**(2,235)**
of which: interest expense relating to lease liabilities		X	X	(48)	(19)

NET FEE AND COMMISSION INCOME - ITEMS 40 AND 50

2.1 Fee and commission income: breakdown

Details	30/06/2025	30/06/2024
1. finance lease transactions		
2. factoring transactions		
3. consumer credit		
4. guarantees issued		
5. services:	10,727	6,894
- management of third-party funds		
- foreign exchange brokerage		
- product distribution		
- other	10,727	6,894
6. collection and payment services		
7. servicing of securitisation transactions		
8. other fees and commissions (to be specified)		
Total	**10,727**	**6,894**

2.2 Fee and commission expense: breakdown

Detail/Sectors	30/06/2025	30/06/2024
1. guarantees received		
2. distribution of third-party services		
3. collection and payment services	(125)	(79)
4. other fees and commissions (to be specified)		
Total	**(125)**	**(79)**

NET INCOME FROM FINANCIAL ASSETS AND LIABILITIES MEASURED AT FAIR VALUE THROUGH PROFIT OR LOSS - ITEM 110

7.1 Net change in the value of other financial assets and liabilities measured at fair value through profit or loss: breakdown of financial assets and liabilities designated at fair value

Transactions/Income components	Capital gains (A)	Realised profit (B)	Capital losses (C)	Realised losses (D)	Net income [(A+B) - (C+D)]
1. Financial assets					
1.1 Debt securities					
1.2 Financing					
2. Financial liabilities	**56**				**56**
2.1 Debt securities					
2.2 Loans and payables	56				56
3. Financial assets and liabilities in foreign currency: exchange rate differences	X	X	X	X	
Total	**56**				**56**

NET IMPAIRMENT LOSSES/GAINS DUE TO CREDIT RISK - ITEM 130

8.1 Net impairment losses due to credit risk related to financial assets measured at amortised cost: breakdown

Transactions/Income components	Impairment losses						Write-backs				30/06/2025	30/06/2024
	First stage	Second stage	Third stage		Impaired acquired or originated		First stage	Second stage	Third stage	Impaired acquired or originated		
			write-offs	Other	write-offs	Other						
A. Loans and receivables with banks												
- for leases												
- for factoring												
- other loans and receivables												
B) Loans and receivables with financial corporations												
- for leases												
- for factoring												
- other loans and receivables												
C. Loans and receivables with customers				(74)							(74)	(82)
- for leases												
- for factoring												
- consumer credit												
- collateralised loans				(74)							(74)	(82)
- other loans and receivables												
Total	**-**			**(74)**							**(74)**	**(82)**

ADMINISTRATIVE EXPENSES – ITEM 160

Personnel expense: breakdown

Type of expense/Amounts	30/06/2025	30/06/2024
1) Employees:	(4,610)	(4,044)
a) wages and salaries	(3,185)	(2,482)
b) social security charges	(671)	(612)
c) post-employment benefits	(300)	(185)
d) pension expenses		
e) allocations to post-employment benefits		
f) allocations to provisions for retirement benefits and similar obligations:		
- defined-contribution		
- defined-benefit		
g) payments to external complementary pension funds:	(65)	(72)
- defined-contribution	(65)	(72)
- defined-benefit		
h) costs deriving from share-based payment agreements		
i) other employee benefits	(389)	(693)
2) Other personnel in service	-	(5)
3) Directors and Statutory Auditors	(137)	(134)
4) Retired personnel		
5) Expense reimbursements for employees posted to other companies	43	76
6) Expense reimbursements for employees of third parties posted to the Company		
Total	**(4,704)**	**(4,107)**

Other administrative expenses: breakdown

Component	30/06/2025	30/06/2024
Consulting	(966)	(629)
IT expenses	(811)	(436)
Advertising	(663)	(615)
Building expenses	(596)	(426)
Servicing contract with the Group Parent	(572)	(319)
Security and cash transport	(245)	(200)
Insurance	(240)	(156)
Taxes and duties	(121)	(111)
Reimbursement of costs for employees	(140)	(123)
Other	(104)	(95)
Vehicle rental and related expenses	(67)	(44)
Legal fees	(57)	(98)
Audit fees	(53)	(33)
Office supplies	(20)	(32)
Membership fees	(4)	(1)
Total	**(4,659)**	**(3,318)**

GAINS (LOSSES) ON EQUITY INVESTMENTS – ITEM 220

15.1 Composition of item 220 "Gains (losses) on equity investments"

Items	30/06/2025	30/06/2024
1. Income	**190**	
1.1 Revaluations		
1.2 Gains from sales		
1.3 Write-backs		
1.4 Other income	190	
2. Charges		
2.1 Write-downs		
2.2 Losses from sales		
2.3 Impairment losses		
2.4 Other charges		
Net income	**190**	

The item only includes the release of part of the debt relating to the earn-out portion contractually agreed upon in the acquisition of Art-Rite Srl, following an agreement with the company's previous shareholders.

INCOME TAXES ON CONTINUING OPERATIONS – ITEM 270

19.1 Income taxes on continuing operations: breakdown

	Component/Amounts	30/06/2025	30/06/2024
1.	Current taxes (-)	(2,396)	(869)
2.	Changes in current taxes from previous years (+/-)	6	(4)
3.	Decrease in current taxes for the period (+)	-	-
3.bis	Decrease in current taxes for the period due to tax assets pursuant to Law no. 214/2011 (+)	-	-
4.	Change in deferred tax assets (+/-)	87	(214)
5.	Change in deferred tax liabilities (+/-)	(115)	(261)
6.	Taxes for the period (-) (-1+/-2+3+/-4+/-5)	(2,418)	(1,348)

EQUITY

4.1.1 Qualitative disclosure

In managing its consolidated equity, the Group aims to maintain an appropriate level of capital to support its growth objectives, while ensuring compliance with regulatory capital requirements and its risk appetite framework.

Items/Values	30/06/2025	31/12/2024
1. Share capital	24,610	24,610
2. Share premium	16,908	16,908
3. Reserves	7,975	3,475
- profit	7,975	3,475
a) legal	636	350
b) pursuant to the Articles of Association		
c) treasury shares		
d) other	7,339	3,125
- other		
4. (Treasury shares)		
5. Valuation reserves	(18)	(34)
- Equity instruments designated at fair value through other comprehensive income		
- Hedges of equity instruments designated at fair value through other comprehensive income		
- Financial assets (other than equity instruments) measured at fair value through other comprehensive income		
- Property and equipment		
- Intangible assets		
- Hedges of foreign investments		
- Cash flow hedges		
- Hedging instruments (non-designated elements)		
- Exchange rate differences		
- Non-current assets held for sale and disposal groups		
- Financial liabilities designated at fair value through profit or loss (changes in own credit rating)		
- Special revaluation laws		
- Actuarial gains/losses relating to defined-benefit pension plans	(18)	(34)
- Shares of valuation reserves relating to investees measured at equity		
6. Equity instruments		
7. Profit (loss) for the period	4,391	4,500
Total	**53,866**	**49,459**

Own funds and capital ratios

Own funds

Own funds, risk-weighted assets and solvency ratios as at 30 June 2025 were determined based on the provisions for Banks contained in Directive 2013/36/EU (CRD IV) and in Regulation (EU) 575/2013 (CRR) of 26 June 2013, that transpose in the European Union the standards defined by the Basel Committee on Banking Supervision (the so-called Basel 3 framework), and based on Bank of Italy Circulars no. 288. These are reported on an individual basis, as the Group does not apply consolidated supervisory reporting, referring instead to the reports prepared by Banca Sistema (the parent of the banking group).

4.2.1.1 Qualitative disclosure

The total own funds as at 30 June 2025 amounts to € 23 million, as shown in the table below.

4.2.1.2 Quantitative disclosure

	30/06/2025	31/12/2024
A. Tier 1 Capital before the application of prudential filters	**56,703**	**51,838**
B. Prudential filters for Tier 1 Capital: **B1 - Positive prudential filters under IAS/IFRS (+)** **B2 - Negative prudential filters under IAS/IFRS (-)**		
C. Tier 1 Capital before deducting elements (A+B)	**56,703**	**51,838**
D. Elements to be deducted from Tier 1 Capital	**33,724**	**31,581**
E. Total Tier 1 Capital (C-D)	**22,979**	**20,257**
F. Tier 2 Capital before the application of prudential filters		
G. Prudential filters for Tier 2 Capital: **G1 - Positive prudential filters under IAS/IFRS (+)** **G2 - Negative prudential filters under IAS/IFRS (-)**		
H. Tier 2 Capital before deducting elements (F+G)		
I. Items to deduct from Tier 2 Capital		
L. Total Tier 2 Capital (TIER2) (H-I)		
M. Elements to be deducted from total Tier 1 and Tier 2 capital		
N. Regulatory capital (E+L-M)	**22,979**	**20,257**

4.2.2 Capital adequacy

4.2.2.2 Quantitative disclosure

Categories/Amounts	Unweighted amounts		Weighted amounts/requirements	
	30/06/2025	**31/12/2024**	**30/06/2025**	**31/12/2024**
A. RISK ASSETS				
A.1 Credit and counterparty risk	**157,938**	**143,333**	**46,993**	**41,473**
1. Standardised approach	157,938	143,333	46,993	41,473
2. Internal-ratings based approach				
2.1 Basic				
2.2 Advanced				
3. Securitisations				
B. REGULATORY CAPITAL REQUIREMENTS				
B.1 Credit and counterparty risk			**2,820**	**2,448**
B.2 Credit Valuation Adjustment Risk				
B.3 Regulatory risk				
B.4 Market risk				
1. Standardised approach				
2. Internal models				
3. Concentration risk				
B.5 Operational risk			**3,033**	**3,033**
1. Basic approach			3,033	3,033
2. Standardised approach				
3. Advanced approach				
B.6 Other calculation elements				
B.7 Total prudential requirements			**5,852**	**5,521**
C. RISK ASSETS AND SUPERVISORY RATIOS				
C.1 Risk-weighted assets			97,538	92,018
C.2 Common Equity Tier 1/Risk-Weighted Assets (CET1 capital ratio)			23.56%	22.01%
C.3 Tier 1/ Risk-Weighted Assets (Tier 1 Capital Ratio)			23.56%	22.01%
C.4 Total Own Funds/Risk-Weighted Assets (Total Capital Ratio)			23.56%	22.01%

SECTION 6 – RELATED PARTY TRANSACTIONS

Information on the remuneration of directors and key management personnel

	Board of Directors	Board of Statutory Auditors	Other executives
Remuneration of the Board of Directors and the Board of Statutory Auditors	86	27	
Short-term employee benefits			339
Other long-term benefits			
Post-employment benefits			33
Total	**86**	**27**	**372**

The following table indicates the assets and liabilities outstanding as at 30 June 2025, broken down by the various type of related party, highlighting their impact on the single financial statement item.

	Parent	Other related parties	% on the financial statement item
Assets			
Cash and cash equivalents	4,115		54.7%
Loans and receivables with banks	78		79.1%
Other assets	5		n.a.
Liabilities			
Due to banks	(93,528)		65.3%
Other liabilities	(70)		0.93%

	Parent	Other related parties	% on the financial statement item
Total income			
Interest income	31		0.35%
Interest expense	(1,729)		72.90%
Fee and commission expense	(5)		3.99%
Operating costs			
Administrative expenses	(628)		7.41%
Other operating income (expense)	83		59.94%

OTHER DISCLOSURES

Management and coordination activities

Pursuant to Article 2497-bis of the Italian Civil Code, Kruso Kapital is subject to the management and coordination activities of Banca Sistema S.p.A..

Kruso Kapital S.p.A.

Auditor's review report

on interim condensed consolidated financial statements

This report has been translated into English language solely for the convenience of international readers

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Auditor's review report on interim condensed consolidated financial statements

(Translation from the original Italian text)

To the shareholders of
Kruso Kapital S.p.A.

Introduction

We have reviewed the accompanying interim condensed consolidated financial statements, comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flows and the related explanatory notes, of Kruso Kapital S.p.A as of June 30, 2025.

Directors are responsible for the preparation of the interim condensed consolidated financial statements in compliance with International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union. Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of Review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution No. 10867 of July 31, 1997. A review of an interim condensed consolidated financial statements consists of making enquiries, primarily to persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the interim condensed consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim condensed consolidated financial statements of Kruso Kapital S.p.A. as of June 30, 2025 are not prepared, in all material respects, in accordance with International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as issued by the International Accounting Standards Board and adopted by the European Union.

Milan, August 1, 2025

BDO Italia S.p.A.

Signed in the original
by Andrea Mezzadra
Partner

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