Intermonte SIM

FINANCIAL STATEMENT

for the year ended
31 December 2024

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Intermonte SIM

SOCIETÀ PER AZIONI

SHARE CAPITAL EURO 45,950,000

TAX CODE AND BUSINESS REGISTRY NUMBER 01234020525

Subject to management and coordination by Intermonte Partners S.p.A.
Member of the National Guarantee Fund

MILAN – GALLERIA DE CRISTOFORIS 7/8

Contents

Board of Directors

Gian Luca Bolengo[2] Chair

Guglielmo Manetti Chief Executive Officer

Fabio Pigorini Chief Executive Officer - Corporate

Alessia Keissidis[1] *Director*

Tiziana Vallone[1] *Director*

Dario Grillo *Director*

Guido Pardini *Director*

Notes: 1. Independent 2. Non-Executive

Statutory auditors

Barbara Premoli Chair

Niccolò Leboffe Standing Statutory Auditor

Marco Salvatore Standing Statutory Auditor

Federico Sala Alternate Auditor

Federica Mantini Alternate Auditor

External auditor

KPMG S.p.A.

2024 Annual Report

The Intermonte Group

The Intermonte Group ("Intermonte"), controlled by Intermonte Partners SIM and including Intermonte SIM, is an independent investment bank equipped with comprehensive access to capital markets and capable of offering investment and consultancy services, positioning itself as a leading light in the Italian Mid & Small Caps segment.

Intermonte, founded in 1995 and listed on the Euronext Growth Milano section of the Italian stock exchange since 21st October 2021, is a group of Italian securities firms (SIM) with a consolidated presence on capital markets through four business lines: **"Sales & Trading", "Investment Banking", "Global Markets"** and **"Digital Division & Advisory".** The group's four business lines are supported by **"Equity Research"** activity, namely research and analysis on nearly all companies listed on Borsa Italiana markets, carried out by a dedicated team of financial analysts.

Intermonte Partners stands out on the Italian market due to its business model, which marries independence with consolidated access to capital markets. This independence is founded on the absence of conflicts of interest, which enables Intermonte to be a respected partner both for institutional investors or companies, within the Sales & Trading or Investment Banking divisions, and for the financial consultants segment, which is addressed through the digital channel.

Description of Group Activity

Sales & Trading

The Sales & Trading business offers brokerage services to Italian and international institutional clients such as banks, insurers, asset managers (SGR), mutual funds, hedge funds, pension funds and other market operators.

The Intermonte sales force provides extensive geographical coverage, especially of the main financial markets, with desks dedicated to Italy, United Kingdom, continental Europa, USA and Canada.

Through this business line, the group also offers trading on behalf of third parties on Italian and foreign equity, bonds (sovereign and corporate), derivatives (listed and non-listed), Exchange Traded Funds (ETF) and green certificates (CO_2).

Intermonte also offers its clients so-called interconnection services, operational access to markets and multilateral trading facilities on which the group is active. The business line operates "directly" on Italian markets such as: Euronext Milan (EXM), TAH, MOT (DomesticMOT and EuroMOT segments, SeDeX, IDEM, ETFplus, Euronext MIV Milan (MIV), ExtraMOT, Euronext Growth Milan, EuroTLX and Eurex) and has indirect access through other brokers to all the main regulated markets and multilateral trading facilities in Europe, the US and Asia, as well as best execution systems, used to ensure the best execution of client orders, and trading platforms (such as Bats, Chi-X, Liquidnet, Posit, Turquoise, among others).

Post-market activities, which include the settlement and reconciliation stages of all transactions brokered by the Intermonte group, are supported by an internal back office that guarantees proper settlement of transactions.

Since 2014, Intermonte Partners has operated on the European Union Allowance (EUA) emissions trading market, offering its clients the best conditions for the purchase and disposal of these instruments through over-the-counter (OTC) transactions on the main trading platforms. Intermonte offers various products for emissions trading, such as access to the derivatives market, in-depth analysis of international regulations, reports and research.

There are over 25 professionals working in the Sales & Trading business line, with 20-year experience on average. They contact Intermonte's 900+ clients on a daily basis.

Investment Banking

In the Investment Banking business line, Intermonte group offers a wide range of consultancy services, aimed at listed and non-listed Italian companies, with a focus on SMEs. Its activities can be categorised in the following areas:

- **Equity Capital Markets (ECM)**

  Predominantly related to market listings, both on the regulated Euronext Milan (EXM) market and the non-regulated Euronext Growth Milan (EGM) market, capital raises, share placements with investors, and public tender or exchange offers, carried out in the role of global coordinator, sponsor, Euronext Growth Advisor (previously "Nominated Advisor") of the placement syndicate, underwriter for capital raises or broker tasked with coordinating subscriptions for public tender or exchange offers, depending on the particulars of the case. As well as raising capital, ECM activity also includes placements or purchases on the market of significant stakes in listed companies through accelerated book building (ABB) or reverse accelerated book building (RABB) mechanisms open to institutional investors.

- **M&A and Advisory**

  Consultancy activity, provided to corporate clients (listed and non-listed companies and/ or their main shareholders), private equity houses and financial institutions. The consultancy offered is in relation to mergers and spin-offs, disposals and acquisitions, including evaluating the target companies for the same transactions and the issue of fairness opinions from a financial point of view, and capital restructuring operations for industrial and financial companies.

- **Corporate Broker and Specialist**

  Consultancy activity provided to listed companies in areas such as promotion of their equity story with institutional investors, preparation of documentation aimed at the financial community and, more in general, fostering relations between companies and financial markets as well as providing assistance to management of listed companies and monitoring market trends in listed financial instruments These activities may extend to supporting the liquidity of financial instruments.

- **Debt Capital Markets (DCM)**

  Consultancy activity on debt structuring, namely identifying the best technical format to meet the financial needs of the client, as well as on the placement of financial debt instruments and/ or bonds both to the general public and to institutional investors; advisory activity for, among other things, raising debt capital through leveraged buyout/ M&A transactions, financing by traditional players (banks) and alternative operators (institutional investors, insurers, etc.) and assessing the ideal financial structure of the company.

In recent years the business line has represented a major area of development for the Intermonte group, with a significant broadening of the services offered, as well as a major increase in the number of dedicated professionals.

Global Markets

The Global Markets business line provides the group's clients with services on all Asset Classes (equity, bonds, currencies, commodities, derivatives and ETF) through trading on own account, market making and brokerage, enabling investors to prepare strategies for investment or portfolio risk hedging.

The "Global Markets" business line comprises two business areas:

- **Client Driven & Market Making:** trading activity featuring very low levels of risk, as the financial instruments are generally purchased and sold on behalf of third-party investors during the course of the same day of trading, thus limiting net exposure risk to financial instruments at the end of the day, or alternatively hedged with closely-correlated instruments that significantly reduce market risk. The activities carried out in this area of the business line mainly consist of:
  a) **Market Making**: on equity derivatives (US and European options and single stock futures on the main components of the FTSE MIB index or the index itself, as well as options on the leading European stocks on the Eurex) and on government bonds;
  b) **ETF Trading**: trading activity on the main multilateral trading facilities (MTF), on passive listed ETF/ ETC instruments;
  c) **Fixed Income**: market making activity and brokerage of debt securities with the aim of offering clients coverage of all phases of fixed income activity, from placement on the primary market, to brokerage on Italian and foreign corporate and government bonds on the secondary market;
  d) **Specialist**: acting as a specialist operator on shares traded on the Euronext Milan, Euronext STAR Milan and Euronext Growth Milan markets in order to support liquidity within the parameters set by the manager and the regulations applicable to each market;
  e) **Electronic Trading & Execution Service**: the team provides electronic access to global markets through a range of technologically-advanced platforms and interfaces that allow high-performance, low-cost connections to the leading financial markets.
- **Proprietary Trading**: or trading on own account, is characterised by a higher level of risk, albeit constantly monitored by the risk management department, as the financial instruments generally remain on the company's book overnight, meaning the proprietary portfolio is subject to fluctuations in the prices of the instruments on which there is a position.

The activities carried out in this area of the business line mainly consist of:

a) **Volatility Trading**: aimed at exploiting investment opportunities deriving from proprietary analysis of surface volatility with an eye on relative value;

b) **Risk Arbitrage & Special Situations**: aimed at exploiting investment opportunities deriving from capital and/ or other transactions or extraordinary events relating to companies, such as capital raises and public tender and/ or exchange offers, for example;

c) **Algorithmic Trading**: executed through proprietary decisional algorithms based on standard and innovative quantitative analysis;

d) **Directional Trading**: on shares, derivatives, bonds and ETF, aimed at executing investment strategies based on fundamental analysis, technical analysis and/ or news on issuing companies and/ or market-sensitive information.

In terms of risk management, the Global Markets area is constantly monitored by the risk management department, which ensures compliance with all pre-defined limits for individual risk parameters, or more generally the value-at-risk (VAR), a risk indicator commonly used by treasuries, banks' proprietary portfolios and the wider investment world, which measures the maximum expected daily loss on positions in the portfolio in the event of extremely adverse scenarios affecting the value of the individual positions, while a periodical stress test analysis positing even worse conditions is also combined with the VAR.

Digital Division & Advisory

The Digital Division & Advisory (DD&A) business line includes:

a) **Websim**: financial services and content through digital channels to retail customers; and the provision of consultancy, investment solutions and training to financial advisors and private bankers through digital channels (websites, apps, webinars)

b) **"Advisory & Gestione" activity**: consultancy on portfolios, directly through a portfolio management mandate or indirectly through structured advisory offered to private bankers or corporate treasury departments;

The services provided by the business line are described in more detail below.

Websim

Websim.it is the online platform for Intermonte's Digital Division With a continuous presence on the market since 2000, for over 20 years Websim has been the go-to service for Italian investors.

Websim's mission is to guide our clients through the ever-changing financial landscape. To this end, retail investors are provided with the same information and analysis that inform the decisions of institutional investors.

Intermonte's significant investments and ongoing commitment to this line of business have led to the creation of three distinct brands.

- **Websim Digital Financial Hub**

  Websim Digital Financial Hub brings together all the content and services offered through our web platform, giving retail clients access to financial market information directly (B2C) and through the content provided to the e-banking platforms of many leading Italian banks (B2B2C).

  Media articles and content are distributed through: proprietary websites and apps, mailing lists, e-banking platforms, social media. A wide range of services are offered, including real-time financial information and market monitoring, technical and fundamental analysis, including detailed reports, informative articles, video interviews, webinars and timely in-depth research into the latest events carried out by sector experts.

- **Websim Corporate**

  The division draws on the expertise of the Intermonte Research department, adding top down, technical and newsflow analysis processes, as well as its own internal team of analysts focused on the Mid/ Small Cap segment.

  Websim Corporate is the meeting point between Websim and the most promising Italian Small & Mid Cap issuers. The recently-created team, which is steadily expanding, allows Intermonte to enter a new market with an agile approach and a digital focus, offering Corporate Broking, Specialist activity, Events and Meetings with company management, support for Investor Relations departments and advisory on the Equity Story, and management of Extraordinary Deals.

- **Websim Investment Solutions**

  This B2B offering, launched in 2019 under the TIE brand, is now included among the services offered by Websim. Investment solutions are analysed, identified and created to reflect current market trends, in partnership with numerous issuers of financial instruments.

  Websim Investment Solutions also supports investment professionals such as Wealth Managers, Private Bankers, and Family Offices, providing analysis of market catalysts, model portfolios, and selections of various classes of financial instruments.

Advisory (Advisory e Gestione)

The Advisory e Gestione division was formed in 2016 and offers portfolio management services (through direct mandates or by proxy), and advisory on investment matters (through consultancy on portfolios) to institutional clients in the private banking arena. Proxy management is focused on consultancy or management mandates for portfolios from some private banking operators, as well as providing advisory on liquidity management or specific strategies for companies' treasury departments. Finally, the division offers consultancy services to private banking structures with theme-based portfolios, and is increasingly specialising in ESG products.

Equity Research

Equity Research consists of producing fundamental analysis into companies listed on Italian and European markets. The specific focus on Italian Mid & Small Caps ensures the Intermonte Equity Research team stands out from the crowd.

Equity Research is a fundamental pillar of the Intermonte Group's activity. Indeed, the work carried out by the research department has synergies with the other divisions, and research plays a fundamental part in Sales & Trading activity and the Digital Division, as well as Corporate & Investment Banking, as and when required.

A distinguishing feature of the Equity Research carried out by Intermonte is the focus dedicated to the Mid/Small Caps sector, through production of sector-specific research dedicated to small and medium-sized companies, such as the Italian Mid Small Caps Monthly, as well as in-depth reports on themes of specific interest for this segment of stocks.

Research activity to support the generation of investment ideas for the Intermonte Group's institutional clients comprises a variety of reports published over time. The main product consists of individual reports on listed issuers that analyse company fundamentals and communicate an investment recommendation that is updated following key events involving the company and as and when required. The company produces a wide range of reports, including the Morning Call from Italy (a daily update in Italian and English circulated as the market opens), the Italian Equity Strategy Monthly (a monthly update on expected strategic trends in the Italian equity market), Sector Reports (sector-wide research) and Equity Focus (on specific topical themes affecting market performances). Furthermore, more wide-ranging strategic reports outline the market, economic and sector trends expected to prevail over the next six months. As of 2020 the product offer was enhanced with a series of reports under the heading Green is the New Gold, tackling the main regulatory matters affecting issuers and investors in relation to Environmental, Social and Governance (ESG) themes, notably climate transition, which are taking on rising importance in investment and communication strategies

For the last decade the Intermonte group and its research team have been promoting the "Eccellenze del Made in Italy" event, one of the most important shop windows in Italy for small and medium-sized listed companies and a key opportunity for them to meet professional investors, with a notable presence of foreign investors. This is now an established event that helps enhance the visibility and liquidity of listed SMEs.

Members of the Equity Research team are highly qualified, and the group encourages continuous professional development. The company also subsidises the costs for the international Certified Financial Analyst (CFA) and Certified Environmental, Social and Governance Analyst (CESGA) exams.

For a number of years, the Equity Research team has participated in drawing up research in partnership with the Milan Polytechnic Engineering Faculty's School of Management. The research publications focus on far-reaching issues that are of particular importance for the Italian equity market, and are presented at official events with strong media coverage.

Recognition received by the Equity Research team includes various awards in the rankings drawn up by Institutional Investor, one of the leading international classifications specialising in finance. Specifically, in 2022 Intermonte placed third in the annual rankings for its Italian Mid/Small Caps research and fourth in the overall rankings for the Italian market. The survey is based on voting from international institutional investors, and the high rankings achieved demonstrate the visibility and reputation of Intermonte well beyond Italian borders.

Partnership with QCapital

In 2021 the Intermonte Group signed a partnership agreement with QCapital, focused on structuring club deals for investing in Italian Mid/Small Caps.

QCapital is dedicated to organising private equity club deals on Italian SMEs. Founded by Stefano Miccinelli, Renato Peroni, Massimo Busetti, Giovanni Pedersoli and Francesco Niutta, the company plans to be a stable, well-resourced entity that has the aim of carrying out an indicative maximum of two investments per year through the organisation of club deals to propose to a consolidated network of professional investors, family offices and entrepreneurs. The team of QCapital shareholders boasts a lengthy track record in private equity transactions, in some instances as investors, at other times as strategic consultants and/ or M&A advisors.

The targets will be Italian SMEs that are already listed on regulated markets or are close to listing, featuring excellent market positioning in highly-profitable sectors, attractive growth opportunities and positive long-term trends. The average size of each investment can be between €10mn and €30mn for a minority equity stake, with a period of 3-4 years in which to execute the disinvestment.

Investments will be organised as club deals, and proposed to a consolidated network of professional investors, family offices and entrepreneurs. If the investment is approved, both the Intermonte Group and QCapital will invest in the specific club deal.

During 2024 various deals were analysed, but as yet these have not led to the creation of a club deal.

Group History

On their departure from an international group in 1995, the founding partners of Intermonte SIM came together with Banca Intermobiliare to set up the brokerage company "Intermobiliare Securities SIM". From the word go, the new firm was characterised by a strong vocation for fundamental research with a specialisation on the Italian market, and it quickly established itself as a highly respected broker, above all among major international investors.

After a brief start-up phase, as a consequence of the rapid success achieved by Intermobiliare Securities SIM, Banca Intermobiliare sold its controlling stake to Banca Agricola Mantovana S.p.A... Thanks to the financial support from the new parent company, in 1999 the firm became the top broker by volume of brokerage on the Italian market, according to the Assosim ranking. In the same year, the firm became part of the group headed by Banca Monte dei Paschi di Siena S.p.A. ("MPS Group") following the latter's successful conclusion of its PTO on Banca Agricola Mantovana S.p.A.

Following the acquisition by the MPS Group and the transfer of Monte Paschi Mercato SIM S.p.A. by the latter, 2/3 of the company's equity was owned by MPS Group and 1/3 by the original management. Thanks to this purchase the company, renamed Intermonte Securities SIM, accelerated its diversification from pure brokerage and research into investment banking, as well as setting up Websim.

In November 2007, a management buy-out began which culminated in July 2008 with the original management team, brought together in Intermonte Partners (at the time named Intermonte Holding), assuming control of Intermonte SIM. In 2010 following a reserved capital increase Cattolica Assicurazioni (now Generali group) entered the capital with a stake that now stands at c.11.6%. In 2011 a similar, albeit smaller, transaction was agreed that brought ICCREA Holding S.p.A. into the shareholding with a stake of c.1.3%.

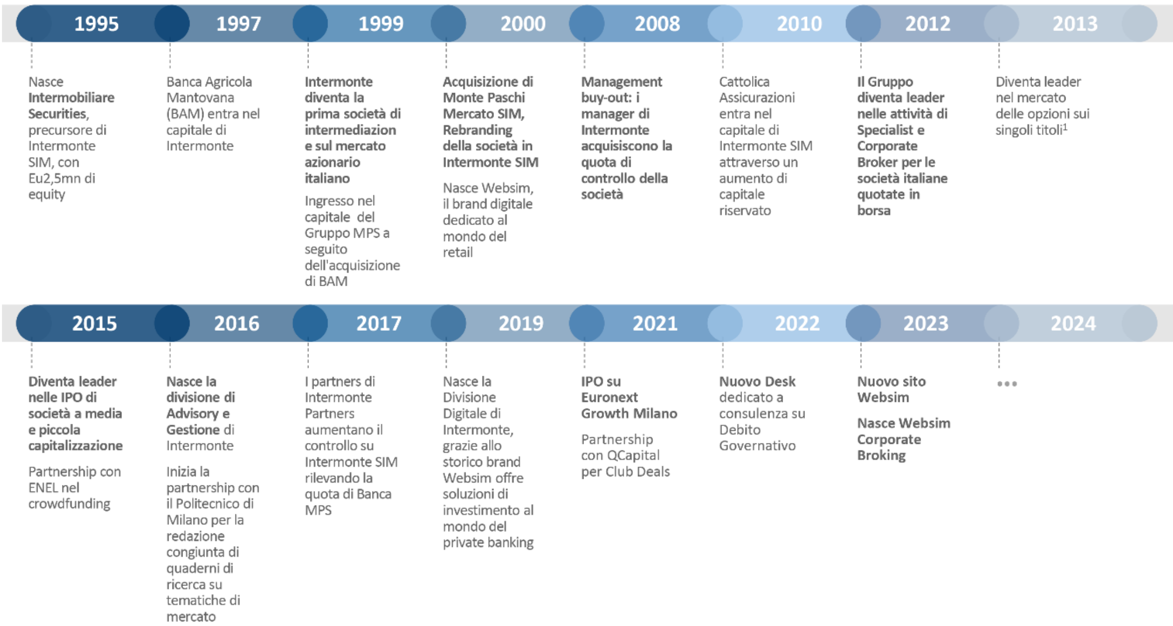
In the meantime, the Intermonte Group continued to strengthen its positioning in the Italian Mid & Small Caps segment, quickly becoming one of the main operators in the Corporate Brokerage and Specialist sector. Moreover, the capital increase enabled an important development of market making in Italian equity derivatives, further broadening the range of services offered to institutional clients. In 2017, Intermonte SIM repurchased the entire residual stake held by Banca Monte dei Paschi di Siena S.p.A.

In the last few years, Intermonte Group has invested further in diversification, setting up its Digital Division & Advisory, which combines Advisory & Gestione activity with the Digital Division and the established Websim brand.

In 2021, Intermonte Group commenced work for the flotation of the parent company on the Euronext Growth Milan (EGM) segment of Borsa Italiana, a transaction that was successfully completed on 21st October 2021 During the same year it signed a partnership with QCapital, a primary independent operator in the Club Deal segment, dedicated to co-investing in minorities of Italian mid/small cap that are already listed or on their way to IPO.

In 2022, a team of professionals specialising in advisory in the bonds segment joined Intermonte. Their focus is on treasury departments of mid/ small financial institutions and/ or companies.

During 2023, the restructuring of the Digital Division & Advisory was completed. The process began with the rebranding of various products and the introduction of the 'Websim Corporate Broking' service, aimed at small cap companies listed on the Euronext Growth Market (former AIM). The process was effectively completed with the launch of the new Websim portal, available at www.websim.it.



Note: 1. fonte Assosim

Macroeconomic Scenario

2024 Macroeconomic Scenario

2024 continued to be characterised by the timing and pace with which the sharp surge in inflation experienced in 2022 could be reined in, followed by the start of monetary easing measures, first by the ECB and then the Fed. In the second part of the year, all eyes switched to the outcome of the US elections while, surprisingly, a snap election was called in Germany for February 2025.

On the growth front, the USA held up well (GDP +2.8%), while other economies either continued to decline, as was the case for Germany, or experienced far slower growth rates (the rest of the Euro zone and the UK).

Based on initial and in some cases preliminary 4Q GDP figures, 2024 trends in the various geographical areas were as follows: Euro Zone +0.8%, Germany -0.2%, Italy +0.5%, UK +0.9%, Japan +0.1%, US +2.8%.

Looking at the fourth quarter in more detail, Euro Zone GDP growth slowed to +0.2% QoQ, from +0.4% QoQ in the previous quarter, with declines in both exports and imports, and slowdowns in consumer spending, investment and public spending growth. Germany, the leading Euro Zone economy, suffered a renewed interruption to growth, reporting a negative quarterly trend (-0.2% QoQ), as it had in the second quarter of the year (-0.3% QoQ). This was underpinned by the poor performance of the German economy in 4Q24, especially the continuing decline in exports (-2.5% QoQ) in the context of anaemic growth in domestic consumption. The Spanish economy proved exceptionally resilient, however, posting +0.8% QoQ in the fourth quarter, with 2024 GDP expected to have grown +3.2% thanks mainly to the positive impact of tourism and domestic demand, the latter bolstered by relatively low energy costs. France posted a -0.1% QoQ decline in 4Q; 2024 GDP growth came to +1.1%. Looking at Italy in particular, the good start to the year (+0.3% in 1Q) was followed by a gradual slowdown in growth, with 2024 GDP rising +0.5%.

Inflation remained the key focus for market operators and analysts. US consumer price indices tracked a steady downward trend until September 2024, reaching a low of 2.4%, and averaging 3% over 2024 as a whole. In the Euro Zone, 2024 inflation stood at 2.4%, with core inflation, i.e. net of food and energy, coming to 2.9%.

In this context, the normalisation of global supply chains proceeded in fits and starts in 2024, as highlighted by the performance of the World Container Index (measuring the cost of transporting 40-foot containers) which closed the year up 42%, after peaking at over +120% in the summer. On the other hand, the Baltic Dry Index (which measures the cost of transporting containers for dry commodities) tracked a contrasting trend, falling about 50%.

Factors specific to the Euro Zone include the rise in the Gas TTF index, which increased from c.€30Eu/MWh at the beginning of the year to almost €50/MWh at the end of the year, tracking a steadily rising trend from the end of February onwards.

Inflation, on the other hand, continued to be marked by the deflationary context in China, where the variation of consumer price indices remained at around 0%, closing the year at +0.2% on average, despite the achievement of the growth target of just over 5%. The impact of weak domestic demand is still clear.

On fiscal policy, 2024 witnessed a halt to further stimuli in the US, with focus shifting entirely to the Presidential election campaign, which culminated in a victory for Donald Trump.

In Italy, on 30 December 2024 the government submitted its request for the seventh NRRP instalment, worth €18.2bn (€13.6bn of loans and €4.6bn of grants), relating to the 67 targets and milestones projected to be reached by 31 December 2024.

Interest rates tracked a fluctuating trend in 2024: peaks were reached in both the US and the Euro Zone in April /May, in the wake of fears of a renewed surge in inflation, mainly due to a marked rise in the price of Brent to around US$90/bl. At this time, the number of Fed cuts expected by market operators by the end of 2024 had come down to just one, from around 7 at the beginning of the year. Interest rates started to fall again over the summer, responding to signs of a slowdown in the labour market which led to the Fed implementing a first 50bp cut in September, followed by two 25bp cuts in the November and December meetings. Meanwhile, US 10-year bond rates started to rise again at the end of 2024, nearly matching the annual peak of 4.70%, in the wake of improving macro indicators and more notably in anticipation of the potentially inflationary policies of the Trump administration. The 10-year Bund tracked a similar trend, albeit with significantly different magnitude over the course of the year: the downward phase from April to September was much more marked for US interest rates, with the US/Germany differential in that segment of the yield curve going from 215bp to 150bp in September, then rebounding to 220bp by year-end.

For its part, in 2024 the ECB started to cut interest rates in June, implementing 4 25bp rate cuts by the end of the year, bringing the deposit rate from 4% to 3%.

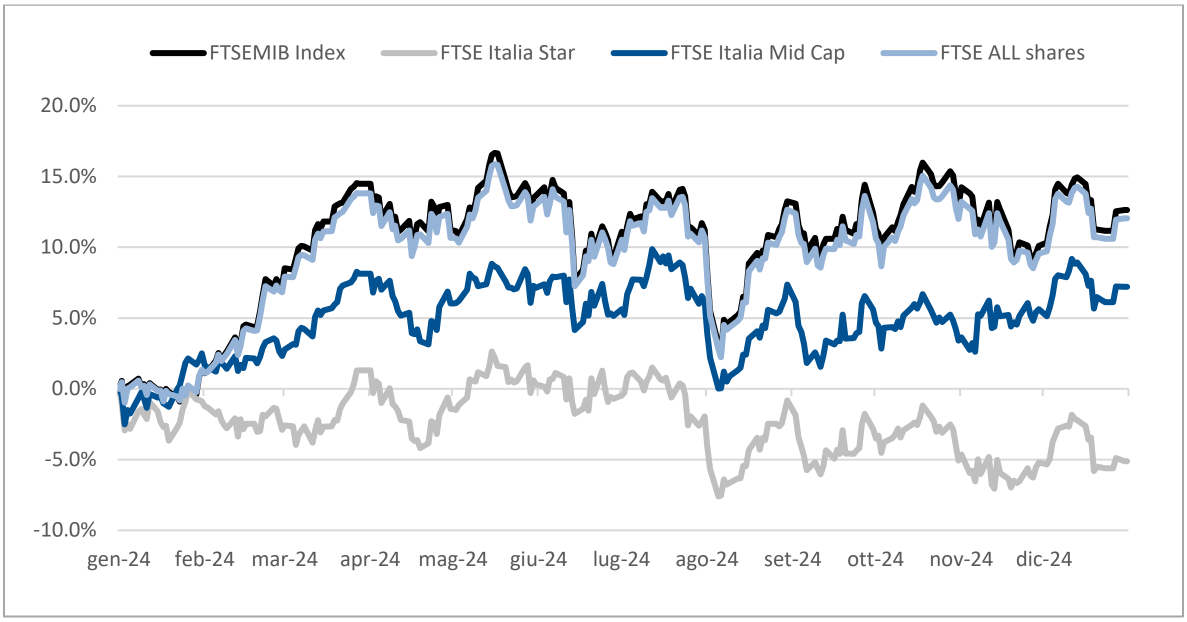
In this context, the US and Euro yield curves steepened considerably in the 2/10 year segments, turning positive in both cases. For Treasuries, the 2/10 year spread went from a minimum of -50bp in June, to +32bp at the end of the year. The same spread on German interest rates went from -55bp at the end of March to +28bp at the end of the year. The yield curve trend on both sides of the Atlantic can mainly be attributed to the perception of increased risk of a renewed inflationary surge, ahead of the start of Trump's second term.

As for currency markets, the dollar underwent two main phases in 2024: depreciation until the first 50bp Fed cut in September, followed by appreciation until the end of the year awaiting potentially inflationary manoeuvres from the Trump administration. The EUR/USD therefore went from a peak of c.1.12 in August/September to 1.0350 at year-end.

2024 stock market trends were markedly positive in the US, compared to sideways movement in Euro Zone markets, with notable concentration on certain stocks and sectors. Index performances in local currency provided eloquent confirmation of these indications: S&P500 +23%, Nasdaq 100 +24%, Eurostoxx600 +7%. The strong concentration of performance in just a few US stocks is highlighted both by the major underperformance of the equal weight S&P 500 (+11%), and the striking equal weight outperformance of the so-called magnificent 7 (+67%). There was a similar trend for the DAX index in the Euro Zone, which rose 19% to set a new record in 2024, thanks to the performances of a small number of stocks. In Italy, the FTSE Mib rebounded 13%, similar to the FTSE Italia All Shares (+12%). FTSE Italia Star -5%, FTSE Italia Growth -5%.

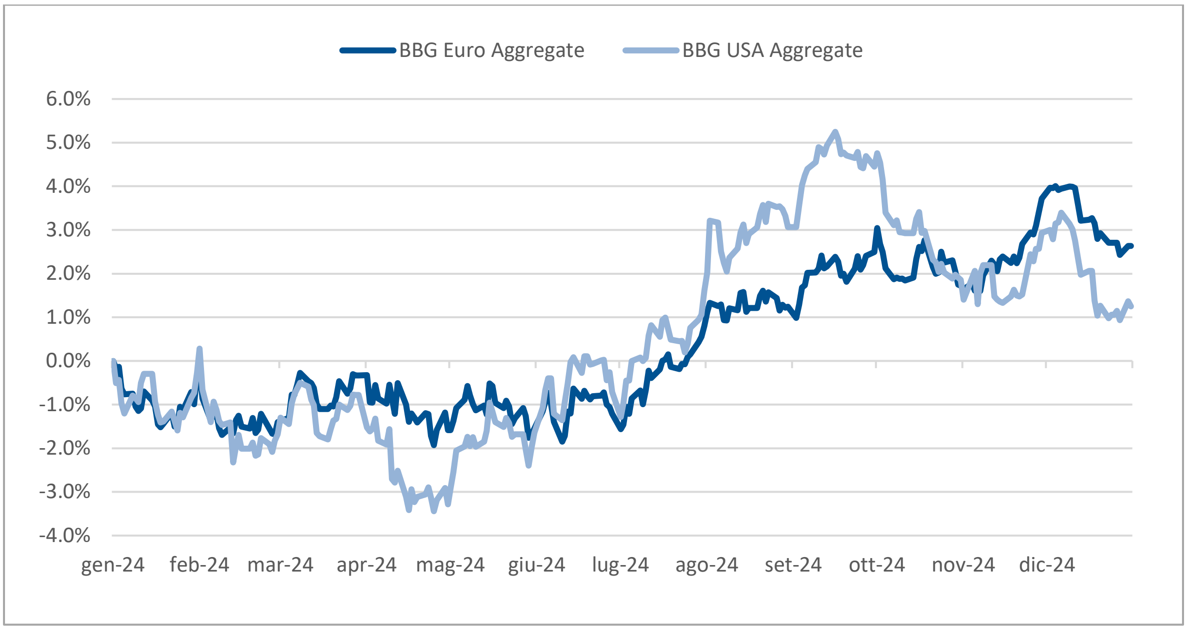
Below are the Total Returns of the main asset classes and the main Treasury yield trends.

TOTAL RETURNS – MAIN BORSA ITALIANA INDICES FY2024



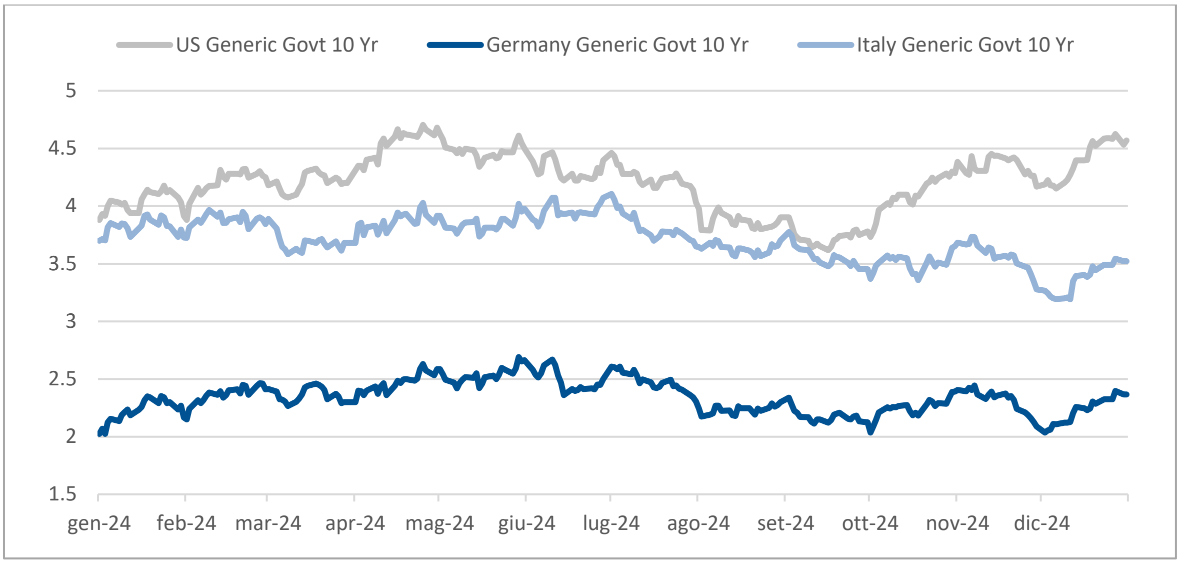
Source: Bloomberg

TOTAL RETURNS – GOVERNMENT AND INVESTMENT GRADE CORPORATE BONDS FY2024



Source: Bloomberg

10-YEAR GOVERNMENT BOND YIELDS FY2024



Source: Bloomberg

BTP - BUND SPREAD FY2024

Source: Bloomberg

2025 macroeconomic prospects

Looking ahead, the world scenario in 2025 is coloured by the impact of the Trump administration's manoeuvres on the one hand, and indications from Germany on the other, following the outcome of the snap election in February 2025.

Trump's first moves after taking office on 20th January came in the form of tariffs, both threatened and implemented, at least in part. China was targeted with a double 10% increase in import tariffs, while in the first round similar measures were applied to some goods imported from Canada and Mexico, as well as all steel and aluminium imports, the latter hit by 25% tariffs. At the same time, advance warning was given of the implementation of 25% tariffs on the import of cars from Europe from 2nd April, with extension to other goods not ruled out.

Trump also embarked upon negotiations with Russia to bring an end to the war in Ukraine, while applying heavy pressure on NATO allies to increase defence spending to as much as 5% of GDP. Perception of a partial withdrawal of US military support for Europe led to the launch of a number of plans to jack up European defence spending. EU Commission President Von Der Leyen presented the Eu800bn ReArm Europe plan, with Eu150bn to be funded through a joint EU defence debt scheme. The remaining Eu650bn would come from spending by individual countries, which would be allowed, on request, to derogate from the Stability and Growth Pact, raising defence spending to 1.5% of GDP over the next four years.

At the same time, German Chancellor-elect Merz (CDU/CSU), along with future government ally SPD, proposed a Eu500bn plan, of which Eu400bn in infrastructure and Eu100bn in investments for the energy transition, while also eliminating the debt brake on defence spending in excess of 1% of GDP. The plan will be subject to a vote in the German parliament, and would need backing by a two-thirds majority as it would require constitutional reform.

This impact of this weighty German plan has been seen in a sharp rise in long-term interest rates throughout the Euro Zone, anticipating the massive bond issue that would be needed to finance this increased spending.

On the currency front, the first indications of growth being penalised by the "escalation" phase of the US tariff plan led to a sharp depreciation of the dollar, as well as European stock markets being favoured over their US counterparts. This is also due to evidence of China gaining impressive results on artificial intelligence with much lower investments than US companies, as exemplified by the presentation of Chinese AI model DeepSeek on 20th January.

Speaking of China, it reiterated its 5% GDP growth target for 2025, despite deflationary signals amplifying in the meantime (February inflation -0.7% YoY), consequently raising expectations for manoeuvres to support domestic consumption.

With regard to market expectations, at the time of writing the ECB is forecast to implement 2 further 25bp rate cuts in 2025, with 3 cuts of the same magnitude envisaged by the Fed.

Introduction

The Financial Statements consist of the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flow, as well as related explanatory notes, and are also accompanied by the Annual Report on Intermonte SIM S.p.A. for the twelve-month period to 31st December 2024. In support of the comments on the results for the year, the Annual Report presents and illustrates the Income Statement and the Statement of Financial Position.

The Financial Statements, audited by KPMG S.p.A., show that 2024 closed with a net profit of Euro 8,348,244.

Operational income statement and revenue trends by business unit

Intermonte SIM closed 2024 with net profit of Eu8.3mn, more than double the figure for 2023. The first two months of 2025 showed a continuation of revenue trends in 2024; however, upheaval in geopolitical scenarios has injected a hefty dose of uncertainty into markets.

Reclassified Income Statement

(Eu mn)	FY24	FY23	FY24 vs FY23
Sales & Trading	13.1	11.4	14.8%
Global Markets	9.9	7.0	40.0%
Area Markets	**22.9**	**18.4**	**24.5%**
of which client-driven	21.4	16.9	26.1%
of which non-client-driven	1.6	1.5	5.5%
Investment Banking	**10.9**	**9.6**	**12.9%**
Digital Division & Advisory	**6.1**	**3.8**	**58.5%**
TOTAL NET REVENUES	**39.8**	**31.9**	**25.1%**
Personnel expenses	(21.2)	(18.9)	12.3%
of which incentives / one-off costs[1]	*(1.8)*	*(1.6)*	*11.0%*
Other operating expenses[2]	(7.7)	(8.0)	(4.4)%
Total expenses	**(28.9)**	**(26.9)**	**7.4%**
Consolidated pre-tax profit	**10.9**	**4.9**	**121.8%**
Taxes	(2.6)	(1.2)	121.0%
Tax rate	*23.7%*	*23.8%*	
Consolidated net profit pre-minorities	**8.3**	**3.8**	**122.1%**

Notes: 1. This item includes remuneration of Non-Executive Directors and Statutory Auditors, the deferral of ordinary bonuses from previous years and other non-recurring remuneration (entry bonus, stock options, etc.) 2. This item includes depreciation/amortisation or net impairment losses on tangible and intangible assets, and operating income and expenses.

Markets Division

During 2024, the Markets area registered growth of 24.5%, mainly attributable to a recovery in Client-Driven activities and in particular, to the increase in bond and ETF trading volumes. The contribution to revenues from directional and algorithmic trading decreased to 3.9% from 4.6% the previous year thanks to the excellent performance of Client-Driven business.

Sales & Trading (S&T)

In 2024, the Sales & Trading division recorded revenues of Eu13.1mn, up 14.8% on Eu11.4mn in FY23. Divisional revenue growth was supported by a recovery of volumes on the core Italian cash equity market (EXM + EGM), which in 2024 saw trading volumes grow 10.3% YoY. In addition, there was a sharp rise in the contribution from trading in ETF (+20% YoY) and Bonds (+84% YoY).

In 2024, over 3,300 clients traded on markets through the Sales & Trading business unit, 47% of whom from foreign markets. Of these, circa 600 are institutional clients.

Equity Research

Equity Research confirmed its status as a distinguishing and strategic feature of the Group's Brokerage business and flagship service for the relationship with Customers. During the year, the Equity Research department produced over 600 reports, totalling more than 5,700 pages. Intermonte continued intense marketing activities for investors and in support of issuers, organising more than 200 roadshows and circa 3,000 meetings with investors.

Global Markets (G&M)

The Global Markets division closed 2024 with revenues of Eu9.9mn (+40.0% on Eu7.0mn in FY23) corresponding to 24.8% of total net revenues. Over the period, the division's Client-Driven business featured a recovery in activity by institutional clients, in line with the general recovery in brokerage volumes. The division's risk appetite was in line with previous years, and continued to register very moderate value at risk.

The division's non-Client-Driven trading grew 5.5% YoY.

Investment Banking (IB)

The Investment Banking Division (27.2% of total net revenues in 2024) saw annual revenues rise to Eu10.9mn (from Eu9.6mn in 2023), mainly due to a recovery by Equity Capital Markets, while M&A remained stable YoY.

In this complex situation, Intermonte completed some important transactions. Specifically, we note the two IPOs carried out as Global Coordinator during 2024: SYS-DAT and Misitano & Stracuzzi. SYS-DAT was the sole IPO on the regulated market in 2024.

Last but not least, Intermonte maintained its strong positioning as a Corporate Broker and Specialist, covering c.40 companies, of which 26 listed on the STAR segment (c.1/3 of all STAR companies).

Digital Division & Advisory (DD&A)

Digital Division & Advisory closed 2024 with revenues up 59% YoY to Eu6.1mn, accounting for 15.2% of the SIM's revenues (Eu3.8mn in FY23, 11.8% of total revenues). Growth at the division benefited from a step-up by the Investment Solutions business, which more than doubled its revenues in 2024 vs. 2023.

Costs

Intermonte closed 2024 with annual non-recurring costs rising by 7.4% to Eu28.9mn (Eu26.9mn in FY23). The cost/income ratio came to 77.5%, a decrease on the FY23 figure (87.2%).

Personnel expenses amounted to Eu21.4mn, an increase of 12.1% on FY23. Specifically, after rising in 2023, personnel costs saw a stabilisation of the fixed component (+3.0%) thanks to a slower increase in the number of employees, up by 2 FTE to 146. During 2024, the company welfare plan, provided for all Intermonte employees, remained unchanged on FY23. The variable component of remuneration, which increased sharply YoY thanks to the rebound by Intermonte revenues, is set in accordance with criteria laid down in the 2024 Remuneration Policy.

Operating expenses decreased 4.1% YoY to Eu7.5mn (Eu7.9mn in FY23).

Net profit

Intermonte SIM closed 2024 with net profit at Eu8.3mn, up 122.1% on FY23 (Eu3.8mn). The consolidated tax rate for 2024 closed at 23.7%

Shareholders' equity as at 31st December 2024 was Eu77.8mn (Eu72.8mn net of Tier 1). This figure does not include goodwill booked on the balance sheet.

Intermonte closed 2024 with a ROE ROTE of 14.0%. The SIM's capital position is particularly strong, having reached a Total Capital Ratio of 941%, far above the SREP requirement assigned by Banca d'Italia.

Statement of Financial Position

The following pages show the group's main balance sheet data as at 31st December 2024, with a comparison to the corresponding figures as at the end of 31st December 2023. The items were reclassified based on the nature of the underlying asset or liability. Shareholders' equity does not include any goodwill.

Reclassified Statement of Financial Position

(Eu mn)	FY24	FY23	FY24 vs FY23
Assets			
Financial assets	109.0	165.3	(34.1)%
Property and equipment	2.1	2.8	(25.6)%
Intangible assets	0.1	0.1	(42.9)%
o/w goodwill	-	-	n.s.
Other assets	40.6	37.2	9.4%
TOTAL ASSETS	**151.8**	**205.4**	**(26.1)%**

Liabilities and equity	FY24	FY23	FY24 vs FY23
Liabilities			
Financial liabilities	57.9	116.7	(50.4)%
Other liabilities	16.1	15.3	5.1%
Total Equity	**77.8**	**73.4**	**5.9%**
Share capital	72.8	68.4	6.4%
Tier 1	5.0	5.0	0%
TOTAL LIABILITIES AND EQUITY	**151.8**	**205.4**	**(26.1)%**

Assets

Financial assets measured at fair value through profit or loss came to Eu73.5mn, down by ~Eu22.4mn from the figure as at 31st December 2023. In light of the Group's activity, this item is entirely composed of assets held for trading, and can undergo significant variations linked to trends in the Group's brokerage activity in the last two days of trading prior to the closure of accounts for the year. The reduction of these assets was driven by the reduction in positions on equity securities by circa Eu23.4mn. This was the result of the group's decreased activity on equity securities.

The proprietary portfolio is largely represented by operations on the Market Making and Specialist portfolio.

Financial assets measured at amortised cost as at 31st December 2024 amounted to Eu35.4mn, down on the previous year due to a reduction of deposits at the central clearing house (CCG).

Property and equipment, principally relating to leasing of the company offices and IT equipment, fell by c.Eu0.7mn, mainly due to the impact of the reduction in the right of use of company offices (relating to the lease on the Milan headquarters).

Intangible assets came to Eu0.1mn, comprising Eu85k in capitalised software, while goodwill was zero ("0") (Intermonte Group has no goodwill on its investments booked in its accounts).

The **Other Assets** item was stable YoY due to a circa Eu1mn increase in prepaid expenses.

Liabilities

Financial liabilities measured at amortised cost came down by more than Eu44.4mn. This change is due mainly to lower activity by the Group in the final two days of trading prior to the closure of accounts for the year on 31st December 2024 compared to activity in the corresponding period to 31st December 2023.

Finally, the item in question comprises balances relating to leasing debts, in accordance with the IFRS 16 principle.

Financial liabilities held for trading as at 31st December 2024 came to Eu13.5mn, down by Eu7.0mn. This decrease was driven by a reduction of financial derivatives held for trading in the group's portfolio as at 31st December 2024.

Other liabilities remained stable compared to 2023.

Provisions for risks and charges contain the deferred portion of variable remuneration payable to employees, which was lower YoY due to payment of the IPO bonus and of some lock-ups.

As at 31st December 2024, Intermonte SIM S.p.A. **Share Capital** amounted to Eu 45,950,000 represented by 45,950,000 shares with no par value. The Companies hold no **Treasury Shares**. As at 31st December 2024, Intermonte held **Share Premium Reserves** of Eu10mn, unchanged YoY; **Other Reserves** amounted to Eu8.5mn, down Eu0.2mn YoY due to interest on Tier 1 capital, the impact of which was mitigated by the increase in reserves for share-based bonus payments.

During 1H24, Intermonte SIM paid a dividend of Eu0.0818 per share for a total outlay of c.Eu3.2mn.

Trends in the first three months of 2025 and outlook for the year

The first two months of 2025 featured a continuation of the general recovery of activity in financial markets. The Markets area showed double-digit growth vs the levels seen in 2022 and 2024, thanks above all to the good contribution from client-driven revenues.

The Investment Banking M&A pipeline for the current year is substantial and ever increasing.

The Digital Division and Advisory has been showing strong growth across all business lines, as important investments in people and technology in previous years bear fruit.

However, the introduction of tariffs by the USA has injected a hefty dose of uncertainty into the performance of the world economy and, as a consequence, the continuation of the excellent performance in the first two months of the year has also been thrown into doubt.

Other information

Research and development

Pursuant to art. 2428 para. 3, point 1) of the Civil Code, Intermonte Partners, through the Equity Research team, conducts ongoing professional research on: i) publicly listed companies, with a particular focus on those listed on the Italian Stock Exchange; ii) ESG themes; and iii) macro-economic trends. Numerous papers, research documents, reports, etc., are produced on these topics, some on a regular basis (such as the monthly Mid/Small Caps report).

The following table summarises the output of Intermonte Equity Research in 2024

	FY2024	FY2023
Notes	*551*	*538*
IPO & Business Combination	*2*	-
Sector reports	*18*	*6*
IES Monthly	*12*	*12*
Mid/Small Caps Monthly	*12*	*12*
Equity Focus & Strategy 1H	*5*	*5*
Total production	***600***	***574***

Dealings with parent company Intermonte Partners SIM

Pursuant to art. 2428 para. 3, point 2) of the Civil Code, we hereby declare that recurring dealings between the Company and the Parent Company Intermonte Partners SIM that occurred during 2024 are attributable to investment relationships, contracts for the performance of infragroup services, and the secondment of personnel with Intermonte SIM S.p.A.

For further information please consult the relevant section of the explanatory note.

Branch offices

Intermonte Partners SIM does not possess branch offices.

Treasury shares

In compliance with the provisions of article 2824, paragraphs 3 and 4 of the Italian Civil Code, we hereby disclose that Intermonte SIM S.p.A. does not hold treasury shares nor shares in the Parent Company.

Relevant events after the reporting period

As at 31st December 2024, the company was under a public tender offer by Banca Generali; this offer concluded successfully and led to the delisting of the Group on 5 February 2025.

Proposed allocation of net earnings

The Board of Directors proposes a dividend of Euro 0.125 for each of the 45,950,000 shares.

We therefore invite you to examine and assess this annual report, the Statement of Financial Position, the Income Statement, the Statement of Comprehensive Income, the Statement of Changes in Equity, the Statement of Cash Flows and the supporting notes presented herein.

Along with approval of the documents cited above, the Board of Directors asks for explicit consent to the following allocation of earnings:

Description	Eu
Profit for the year	8.348.244
Allocation to outstanding shares of a dividend of 0.125	5.743.750
Allocation of the remaining profit to the Extraordinary Reserve	2.604.494

Following these allocations, the company's equity will amount to Euro 69,650,144, comprising:

Total Equity	Balance 31 12 2024	Change after Assembly Resolution	Net Worth after Assembly Resolutions
Capital	45,950,000	-	45,950,000
Own Shares	-	-	-
Capital Instruments	5,000,000	-	5,000,000
Share Premiums	10,005,469	(2,500,000)	7,505,469
Reserves	8,467,033	(2,604,494)	11,071,527
Profit (Loss) for the Year	8,328,244	(5,743,750)	2,584,494
Total Equity	**77,770,746**	**-**	**72,026,996**

2024 Financial Statements

Statement of Financial Position

	Assets	31 12 2024	31 12 2023
10	Cash and cash equivalents	34,246,874	32,519,980
20	Financial assets measured at fair value through profit or loss	73,515,474	95,957,350
	a) financial assets held for trading	*73,515,474*	*95,957,350*
40	Financial assets measured at amortised cost:	35,637,453	69,360,464
	a) loans and receivables with banks	*13,893,877*	*23,570,298*
	b) loans and receivables with other financial institutions	*17,365,836*	*39,941,734*
	c) loans and receivables with customers	*4,377,740*	*5,848,432*
70	Equity investments	-	-
80	Property and equipment	2,051,692	2,757,591
90	Intangible assets	85,121	149,039
	of which :		
	- goodwill	-	-
100	Tax assets	4,153,518	3,386,486
	a) current	3,377,196	2,418,642
	b) deferred	*776,322*	*967,845*
120	Other assets	2,244,888	1,261,321
	TOTAL ASSETS	**151,935,019**	**205,392,231**

	Liabilities and equity	31 12 2024	31 12 2023
10	Financial liabilities measured at amortised cost	44,393,391	96,088,605
	a) liabilities	*44,393,391*	*96,088,605*
	b) securities issued	-	-
20	Financial liabilities held for trading	13,529,506	20,607,380
60	Tax liabilities	2,376,605	1,075,094
	a) current	*2,376,605*	*1,075,094*
	b) deferred	-	-
80	Other liabilities	10,773,589	10,441,660
90	Post-employment benefits	175,369	144,023
100	Provisions for risks and charges	2,735,443	3,626,617
	c) other provisions for risks and charges	2,735,443	3,626,617
110	Capital	45,950,000	45,950,000
120	Treasury shares (-)	-	-
130	Equity instruments	5,000,000	5,000,000
140	Share premium	10,005,469	10,005,469
150	Reserves	8,467,033	8,693,922
170	Profit (Loss) for the year	8,348,244	3,759,464
	TOTAL LIABILITIES AND EQUITY	**151,754,648**	**205,392,233**

Income Statement

	Items	31 12 2024	31 12 2023
10	Net trading income	10,885,398	1,969,797
50	Fee and commission income	29,209,465	25,774,636
60	Fee and commission expenses	(3,865,912)	(1,310,233)
70	Interest and similar income	4,097,712	4,601,176
80	Interest and similar expense	(2,670,634)	(4,257,424)
90	Dividends and similar income	5,495,192	7,815,388
110	**TOTAL INCOME**	**43,151,220**	**34,593,340**
120	Net value adjustments for credit risk relating to:	(157,333)	(209,579)
	b) financial assets measured at amortised cost	*(157,333)*	(209,579)
130	**NET INCOME FROM FINANCIAL TRANSACTIONS**	**42,993,888**	**34,383,761**
140	Administrative expenses	(30,945,653)	(28,321,198)
	a) personnel expenses	*(21,354,617)*	*(19,054,319)*
	b) other administrative expenses	*(9,591,036)*	*(9,266,880)*
160	Depreciation and net impairment losses on property and equipment	(857,535)	(937,979)
170	Amortisation and net impairment losses on intangible assets	(121,868)	(113,447)
180	Other operating income and expenses	(129,204)	(78,851)
190	**OPERATING COSTS**	**(32,054,260)**	**(29,451,475)**
240	**PRE-TAX PROFIT (LOSS) FROM CONTINUING OPERATIONS**	**10,939,628**	**4,932,286**
250	Income Tax	(2,591,384)	(1,172,822)
260	**POST-TAX PROFIT (LOSS) FROM CONTINUING OPERATIONS**	**8,348,244**	**3,759,464**
280	**PROFIT (LOSS) FOR THE YEAR**	**8,348,244**	**3,759,464**
290	Profit (Loss) for the year attributable to minority interests	-	-
300	**PROFIT (LOSS) FOR THE YEAR ATTRIBUTABLE TO THE PARENT COMPANY**	**8,348,244**	**3,759,464**

Statement of Comprehensive Income

	Items	31 12 2024	31 12 2023
10.	**Profit (Loss) for the year**	**8,348,244**	**3,759,464**
	Items, net of taxes, that will not be reclassified to profit or loss		
20.	Equity securities designated at f.v. through other comprehensive income	-	-
30.	Financial liabilities designated at f.v. through profit or loss. (changes in credit rating)	-	-
40.	Hedging of equity securities designated at f.v. through other comprehensive income	-	-
50.	Property and equipment	-	-
60.	Intangible assets	-	-
70.	Defined benefit plans	-	-
80.	Non-current assets held for sale and disposal groups	-	-
90.	Share of fair value reserve for equity-accounted investees	-	-
	Items, net of taxes, that are or may be reclassified to profit or loss		
100.	Hedging of investments in foreign operations	-	-
110.	Translation differences	-	-
120.	Cash flow hedges	-	-
130.	Hedging instruments (non-designated items):	-	-
140.	Financial assets (other than equity securities) measured at fair value through other comprehensive income	-	-
150.	Non-current assets held for sale	-	-
160.	Share of fair value reserve for equity-accounted investees	-	-
170.	**Other comprehensive income net of taxes**	-	-
180.	**Total comprehensive income (items 10+170)**	**8,348,244**	**3,759,464**
190.	**Total consolidated comprehensive income attributable to minority interests**	**-**	**-**
200.	**Total consolidated comprehensive income attributable to the parent company**	**8,348,244**	**3,759,464**

Statement of Changes in Equity 2024

€/000

				Allocation of prior year profit		Changes in the year							
							Equity transactions						
	Balance as at 31 12 2023	Adjustment to opening balance	Balance as at 01 01 2024	Reserves	Dividends and other allocations	Changes in reserves	New shares issued	Repurchase of treasury shares	Extraordinary dividend distribution	Extraordinary change in capital	Other changes	Consolidated comprehensive income as of FY24	Group equity as at 31 12 2024
Share capital	45,950,000	-	45,950,000	-	-	-	-	-	-	-	-	-	**45,950,000**
Share premium	10,005,469	-	10,005,469	-	-	-	-	-	-	-	-	-	**10,005,469**
Reserves	8,693,927	-	8,693,927	753	-	-	-	-	-	-	(364,977)	-	**8,329,703**
a) income-related	8,693,927	-	8,693,927	753	-	-	-	-	-	-	(364,977)	-	**8,329,703**
b) other	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Valuation reserves	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Equity instruments	5,000,000	-	5,000,000	-	-	-	-	-	-	-	-	-	**5,000,000**
Treasury shares	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Profit (Loss) for the year	3,759,464	-	3,759,464	(3,759,464)		-	-	-	-	-	-	8,348,244	**8,348,244**
Equity	**73,408,860**	**-**	**73,408,860**	**(3,758,711)**	**-**	**-**	**-**	**-**	**-**	**-**	**(364,977)**	**8,348,244**	**77,633,416**

Statement of Changes in Equity 2023

€/000

				Allocation of prior year profit		Changes in the year							
							Equity transactions						
	Balance as at 31 12 2022	Adjustment to opening balance	Balance as at 01 01 2023	Reserves	Dividends and other allocations	Changes in reserves	New shares issued	Repurchase of treasury shares	Extraordinary dividend distribution	Extraordinary change in capital	Other changes	Consolidated comprehensive income as of FY23	Equity as at 31 12 2023
Share capital	45,950,000	-	45,950,000	-	-	-	-	-	-	-	-	-	**45,950,000**
Share premium	10,005,469	-	10,005,469	-	-	-	-	-	-	-	-	-	**10,005,469**
Reserves	12,183,716	-	12,183,716	587,203	-	-	-	-	-	-	(4,076,992)	-	**8,693,927**
a) income-related	12,183,716	-	12,183,716	587,203	-	-	-	-	-	-	(4,076,992)	-	**8,693,927**
b) other	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Valuation reserves	-	-	-	-	-	-	-	-	-	-	-	-	**-**
Equity instruments	5,000,000	-	5,000,000	-	-	-	-	-	-	-	-	-	**5,000,000**
Treasury shares	(9,716,982)	-	(9,716,982)	-	-	-	-	-	-	-	9,716,982	-	**-**
Profit (Loss) for the year	7,527,632	-	7,527,632	(7,527,632)	-	-	-	-	-	-	-	3,759,464	**3,759,464**
Group Equity	**70,949,835**	**-**	**70,949,835**	**(6,940,429)**	**-**	**-**	**-**	**-**	**-**	**-**	**5,639,990**	**3,759,464**	**73,408,860**

Statement of Cash Flows

A. OPERATING ACTIVITIES	31 12 2024	31 12 2023
1. Operations	**8,348,244**	**3,759,463**
interest income (+)	4,097,712	4,601,176
interest expense (-)	(2,670,634)	(4,257,424)
dividends and similar income	5,495,192	7,815,388
net fee and commission income (+/-)	25,343,553	24,464,403
personnel expense (-)	(21,354,617)	(19,054,319)
other expense (-)	(10,727,772)	(10,467,038)
other revenue (+)	10,756,194	1,830,098
taxes and similar charges (-)	(2,591,384)	(1,172,822)
costs/revenues of discontinued operations net of tax (+/-)		
2. Cash flows generated by/used for financial assets	**54,414,290**	**15,422,263**
financial assets held for trading	22,441,876	(24,709,287)
financial assets designated at f.v.		
financial assets mandatorily measured at f.v.		
financial assets measured at f.v. through other comprehensive income		
financial assets measured at amortised cost	33,723,012	37,983,937
other assets	(1,750,598)	2,147,613
3. Cash flows generated by / used for financial liabilities	**(57,999,476)**	**1,381,417**
financial liabilities measured at amortised cost	(51,695,215)	50,854,037
financial liabilities held for trading	(7,077,874)	(46,034,924)
financial liabilities designated at fair value	-	-
other liabilities	773,613	(3,437,696)
Net cash flows from operating activities	**4,763,058**	**20,563,143**
B. INVESTING ACTIVITIES		
1. Cash flows generated by	**705,899**	**828,682**
sale of equity investments	-	
dividends collected on equity investments	-	
disposal of tangible fixed assets	705,899	828,682
disposal of intangible fixed assets	-	-
2. Cash flows used for	**63,918**	**(54,730)**
acquisition of property and equipment	-	-
acquisition of intangible assets	63,918	(54,730)
Net cash flows generated by (used for) investing activities	**769,817**	**773,952**
C. FINANCING ACTIVITIES		
issuing / repurchase of treasury shares	-	9,716,982
dividends and other distributions	(3,986,353)	(11,017,426)
Net cash generated by (used for) financing activities	**(3,986,353)**	**(1,300,444)**
NET CASH FLOWS FOR THE YEAR	**1,546,522**	**20,036,651**

Reconciliation	31 12 2024	31 12 2023
Opening cash and cash equivalents*	32,519,980	12,483,329
Net cash flows for the year	1,546,522	20,036,651
Closing cash and cash equivalents	**34,066,503**	**32,519,980**

* available liquidity

Explanatory notes

Parte A

Accounting Policies

A.1 – General

Section 1 – Statement of compliance with international financial reporting standards

These financial statements have been drawn up in accordance with the international accounting principles issued by the International Accounting Standards Board (IASB) and the related interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and endorsed by the European Commission, as established in EU Regulation no.1606 dated 19th July 2002, as well as the measures relating to the Bank of Italy's "Financial Statements for Financial Intermediaries Other Than Banking Intermediaries" contained in the resolution issued on 29th October 2021. The Company has adopted the international financial reporting standards in accordance with article 4, paragraph 4 of Legislative Decree no.38 dated 28th February 2005.The specific accounting standards have been applied on an ongoing basis, and we declare that no exceptions have been made to the application of IFRS.

The application of the international financial reporting standards has been carried out with reference to the IASB's "Framework for the Preparation and Presentation of Financial Statements" *(Framework).*

In the absence of a principle or an interpretation that is specifically applicable to a transaction, another event or a circumstance, the Directors may use their judgement to develop and apply an accounting principle, with the aim of providing information that is:

- relevant to the economic decisions made by users
- reliable, in order that the financial statements:
  - accurately reflect the company's financial position, results of operations and cash flows;
  - reflect the economic substance of the transactions, other events and circumstances, and not merely their legal status;
  - are neutral, i.e. free of prejudice;
  - are prudent;
  - are complete, with reference to all relevant aspects.

In exercising their judgement, the Directors may refer to and consider the applicability of the following sources, reported in descending hierarchical order:

- the provisions and guides for application contained in the standards and interpretations that relate to similar or related examples;
- the definitions, reporting criteria and measurement concepts for the recognition of assets, liabilities, revenue and expense contained in the Framework.

In expressing their judgement, the Directors may also consider the most recent provisions issued by other organisations authorised to enact accounting principles that use a systematic Framework based on similar concepts to develop accounting standards, other accounting literature and accepted practice in the sector.

Finally, the financial statements apply the international financial reporting standards (IFRS) endorsed and in force as of 1st January 2024 which are listed below.

Accounting principles, amendments and interpretations to be applied in reporting periods commencing after 1st January 2024

Titolo documento	Data emissione	Data di entrata in vigore	Data di omologazione
Passività del leasing in un'operazione di vendita e retrolocazione (Modifiche all'IFRS 16)	settembre-22	1° gennaio 2024	novembre-23
Classificazione delle passività come correnti e non correnti (Modifiche allo IAS 1) e Passività non correnti con clausole (Modifiche allo IAS 1)	Gennaio 2020 - Ottobre 2022	1° gennaio 2024	dicembre-23
Accordi di finanziamento per le forniture (Modifiche allo IAS 7 e all'IFRS 7)	maggio-23	1° gennaio 2024	maggio-24

As indicated in the table reported above, some amendments made to accounting standards endorsed by the European Commission during 2023 are mandatorily applicable for the first time as of 2024.

These amendments have no particular impact on the Company.

Accounting principles, amendments and interpretations to be applied in reporting periods commencing after 1st January 2024

Titolo documento	Data emissione	Data di entrata in vigore	Data di omologazione
Impossibilità di cambio (Modifiche allo IAS 21)	agosto-23	1° gennaio 2025	novembre-24

Accounting principles, amendments and interpretations not yet endorsed

Please note that these documents will only be applicable after EU endorsement.

Titolo documento	Data emissione	Data di entrata in vigore	Data di omologazione
IFRS 14 Regulatory deferral accounts	gennaio-14	1° gennaio 2016	Processo di omologazione sospeso in attesa del nuovo principio contabile sui "rate-regulated activities"
IFRS 18 Presentation and disclosure in financial statements	aprile-24	1° gennaio 2027	TBD
IFRS 19 Subsidiaries without public accountability: disclosures	maggio-24	1° gennaio 2027	TBD

Titolo documento	Data emissione	Data di entrata in vigore del documento IASB	Data di omologazione
Sale or contribution of assets between an investor and its associate or joint venture (Amendments to IFRS 10 and IAS 28)	settembre-14	Differita fino al completamento del progetto IASB sull'equity method	Processo di omologazione sospeso in attesa della conclusione del progetto IASB sull'equity method
Amendments to the classification and measurement of financial instruments (Amendments to IFRS 9 and IFRS 7)	maggio-24	1° gennaio 2026	TBD
Annual improvements - Volume 11	luglio-24	1° gennaio 2028	TBD

Section 2 – Basis of preparation

The financial statements and explanatory notes are prepared in euros.

The financial statements have been drawn up clearly and give a true and fair view of the financial position, results of operations and cash flows for the year.

Specifically, the financial statements were drawn up based on the standards that underpin the accounting principles:

- **Relevance:** omission or misreporting of significant items may influence users' economic decisions, whereas errors of little importance do not invalidate the reliability of the financial statements;
- **Reliability**: the statements present the company's capital and financial status and economic results, providing a true and fair reflection of the impact of company operations during the year. In reporting the results from operations, the financial statements adhere to the principle of favouring economic substance over form.

The financial statements match the company's accounts, which fully reflect the transactions executed throughout the year. They have been drawn up applying the fundamental theories of the relevant accounting principles, especially accounting on an accrual basis (the impact of the events and transactions is booked at the time they take place, and not when the relevant income and payments are made).

Comparative prior year figures are presented in the financial statement schedules at 31st December 2024

Neither assets and liabilities, nor costs and revenue can offset one another, unless permitted or required by the IFRS or by the provisions contained in the Instructions issued by the Bank of Italy.

Financial statements captions with a nil balance in the current and previous years are omitted. If an asset or liability item falls under more than one caption in the statement of financial position, its applicability to captions other than the one it is assigned to is mentioned in the explanatory notes, where this is necessary for understanding of the financial statements. In the income statement and the related section of the explanatory notes, revenue is indicated without a sign, whereas costs are indicated in parentheses.

In accordance with the provisions of article. 5 del D. In particular, the financial statements and explanatory notes are drawn up in units of euro unless otherwise indicated, with any decimal values rounded to the nearest whole euro.

The financial statements have been drawn up on a going concern basis, according to the accrual basis of accounting and to the following principles: providing relevant and material information, prevalence of substance over form and with a view to favouring comparison with future presentations. According to the company's articles of association, the company's expiry date is 2050.

All dissimilar items are presented separately.

Adjustments have been made to reflect events after the reporting date to all amounts that must be so adjusted according to IAS 10. Subsequent events that do not require adjustments and which therefore reflect circumstances that occurred after the reporting date are reported in the explanatory notes in the relevant section of the annual report, where considered relevant and therefore likely to influence the economic decisions of the user.

Section 3 – Events after reporting date of financial statements

In 2024 the company was subject of a successful takeover bid by Banca Generali, which led to the de-listing of the Group on 5 February 2025.

Section 4 – Other factors

The compilation of the financial statements requires the formulation of estimates, assessments and assumptions that influence the application of the accounting principles and the amounts of assets, liabilities, costs and revenues reported for the period. Estimates and relevant assumptions are based on past experience and other factors considered reasonable in the specific circumstance, and are adopted to determine the accounting value of assets and liabilities that cannot be easily deduced from other sources. These estimates and assumptions are reviewed on a regular basis, and in any case during compilation of the financial statements.

The compilation of the financial statements incorporates new international accounting principles and amendments to existing accounting principles, as indicated in Section 1 – Statement of compliance with international financial reporting standards.

With reference in particular to paragraph 125 of IAS 1, please refer to the section entitled "Information on risks and related hedging policies".

A.2 – Main items of the financial statements

Accounting principles

Described below are the accounting policies adopted with reference to the main assets and liabilities captions for the preparation of the consolidated financial statements at 31st December 2024.

1. Financial assets measured at fair value through profit or loss (FVTPL)

a) Recognition criteria

Initial recognition of financial assets measured at fair value through profit or loss, as part of a held for trading business model, occurs on the settlement date for debt and equity securities and on the date of subscription for derivative contracts. Upon initial recognition, financial assets measured at fair value through profit or loss are recognised at their fair value, which normally corresponds to the amount paid for the instrument without considering costs or income from transactions directly attributable to the instrument itself, which are recorded directly in the income statement.

b) Classification criteria

Financial assets other than those classified as financial assets measured at fair value through other comprehensive income or as financial assets measured at amortised cost are classified in this category. Specifically, this includes: - financial assets held for trading, mainly represented by debt and equity securities and the positive value of derivative contracts held for trading; - financial assets mandatorily measured at fair value, comprising those financial assets that do not meet the criteria to be measured at amortised cost or at fair value through other comprehensive income. These are financial assets for which the contractual terms do not pass the SPPI test, i.e. they do not feature solely payment of principal and interest, or which are not held as part of a hold to collect business model, the aim of which is to hold assets in order to collect the related contractual cash flows, or a hold to collect and sell business model, the aim of which is achieved both through the collection of contractual cash flows and through the sale of financial assets; - financial assets measured at fair value, i.e. financial assets that meet the criteria to be defined as such at initial recognition. In this instance, an entity may, at initial recognition, irrevocably designate a financial asset to be measured at fair value through profit or loss only if doing so significantly reduces an accounting mismatch.

c) Measurement criteria

This item also includes derivative contracts, recognised as financial assets held for trading, that are recognised as assets if the fair value is positive and as liabilities if the fair value is negative. It is possible to offset current positive and negative values deriving from ongoing transactions with the same counterparty only in the event that there is currently the legal right to offset the amounts recognised in accounts and there is an intention to settle the positions being offset on a net basis.

In order to determine the fair value of financial instruments listed on an active market, market prices are used. These prices are established in the following manner:

- for financial instruments listed on liquid regulated markets: the reference price;
- for financial instruments that are not listed, or that are listed on markets that are not liquid: the best cash price reported on the Reuters circuit, the fairness of which is verified through a comparison with corresponding prices on the Bloomberg circuit If the verification highlights a discrepancy of over 2%, a further verification will be made through requests for a quote from three market makers that operate on the instrument in question and are considered reliable.

In the absence of an active market, generally-accepted estimates and valuation models are used. These are based on data available on the market, such as: methods based on the valuation of listed instruments that have similar characteristics, discounted cash flow analysis, option pricing models and values recorded in recent similar transactions.

Equity securities and related derivative instruments for which it is not possible to determine a reliable fair value based on the above guidelines are recognised at cost, adjusted for impairment losses. Such impairment losses are never reversed.

For more information on the criteria used for determining fair values, which have not been amended following the introduction of IFRS 9, please refer to Section A.4 "Disclosure on Fair Value" in Part A of the explanatory notes to the financial statement.

d) Derecognition criteria

Financial assets are derecognised when contractual rights to the cash flows generated by the assets expire, or when the financial assets are sold, with the substantial transfer of all the related risks and rewards. If a significant portion of the risks and rewards related to the financial asset that has been sold is retained, the risks and rewards will continue to be recognised in accounts, even though legally the ownership of the assets themselves has been transferred.

e) Recognition criteria for income components

Fair value gains and losses on financial assets are recognised under the item Net trading income in the income statement.

2. Financial assets valued at fair value through other comprehensive income (FVOCI)

a) Recognition criteria

Initial recognition of financial assets occurs on the settlement date for debt and equity securities, and at the date of issue for financing. Upon initial recognition the assets are measured at fair value, including costs or income from transactions directly attributable to the instrument itself.

b) Classification criteria

This category includes financial assets that satisfy both of the following conditions: - the financial asset is held through a hold to collect and sell business model, the aim of which is achieved both through the collection of contractual cash flows and through the sale of financial assets; and - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (passing the SPPI test). The item also includes equity instruments not held for trading for which the option of designation at fair value through other comprehensive income was exercised upon initial recognition. Specifically, this item includes: - debt securities attributable to a hold to collect and sell business model that pass the SPPI test; - equity investments, not identifiable as controlling, in associate entities or entities in which the company has joint control, that are not held for trading, for which the option of designation at fair value through other comprehensive income was exercised; - financing attributable to a hold to collect and sell business model that passes the SPPI test, including quotas in syndicated loans subscribed that are designated for sale upon origination and that are attributable to a hold to collect and sell business model.

There was no activity in this caption during the reporting period.

c) Measurement criteria

After initial recognition, assets classified at fair value through other comprehensive income, other than equity securities, are measured at fair value, with the impact deriving from the application of the amortised cost, impairments and any currency effect recognised in the income statement, while other profit or loss deriving from changes in fair value are recognised in a specific equity reserve until the financial asset is derecognised. At the time of the total or partial disposal of the asset, the cumulative profit or loss in the valuation reserve is reversed, in whole or in part, in the income statement.

d) Derecognition criteria

Financial assets are derecognised when contractual rights to the cash flows generated by the assets expire, or when the financial assets are sold, with the substantial transfer of all the related risks and rewards. If a significant portion of the risks and rewards related to the financial asset that has been sold is retained, the risks and rewards will continue to be recognised in accounts, even though legally the ownership of the assets themselves has been transferred.

3. Financial assets measured at amortised cost

a) Recognition criteria

Loans and receivables are recognised on the payment date, when the creditor acquires the right to the payment of the amounts agreed upon in the contract, while a debt security is recognised on the settlement date.

The initial amount is calculated based on the fair value of the financial instrument, which is usually equal to the amount paid, or the subscription price, including expenses/ income directly attributable to the instrument and which can be determined since the beginning of the transaction, even if settled at a later date.

Costs that meet the above criteria, but which are to be redeemed by the debtor or can be recognised under normal internal administrative costs, are excluded.

Swap contracts, securities lending and repurchase agreements with mandatory buyback or re-sale at expiry are recognised as deposits or loans.

Specifically, spot sale transactions and forward repurchase agreements are recognised in the financial statements as liabilities for the amount collected on the spot date, while spot purchase and forward re-sale transactions are recognised as assets for the amount paid on the spot date.

b) Classification criteria

This category includes financial assets (especially financing or debt securities) that meet both of the following conditions: - the financial asset is held through a hold to collect business model, the aim of which is achieved through the collection of contractual cash flows; and - the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding (passing the SPPI test).

Loans and receivables include loans to customers and financial backers, have payments that are fixed or can be determined, are not listed in an active market, and at the outset were not classified as financial assets measured at fair value through other comprehensive income or as financial assets measured at fair value through profit or loss.

Trade receivables, sale and repurchase agreements and securities lending are also included under loans and receivables.

c) Measurement and recognition criteria for income components

After initial recognition, loans and receivables are measured at amortised cost, equal to the initial recognition amount minus/ plus capital redemptions, impairment losses/reversals of impairment and amortisation – using the effective interest method – of the differences between the amount paid and the amount that will be redeemed upon maturity; these adjustments can be typically ascribed to expenses/income directly attributed to the individual loan. The effective interest rate is the rate that equates the present value of future cost flows, as concerns the principal and interest, to the amount paid including expenses/ income ascribed to the loan. The effect of expenses and income is therefore distributed along the expected residual maturity of the loan.

The amortised cost method is not used for short term loans as the effect of discounting is negligible.

At each annual or interim reporting date, an analysis of the loans is carried out so that it may be possible to identify those that, because of events that occurred after recognition, show objective evidence of a possible impairment loss.

The impairment loss is recognised in the income statement under "Net impairment losses on financial assets measured at amortised cost". The component of the impairment loss ascribed to discounting of the cash flows is released on an accrual basis according to the effective interest method and is recognised as a reversal of impairment losses.

The original loan amount is restored in subsequent years if the reasons that determined the impairment no longer apply, provided that said reversal is objectively related to an event that occurred after the recognition of the impairment loss. The reversal of the impairment loss is recognised in the income statement, and cannot in any circumstances exceed the amortised cost that the loan would have had without the previous impairment losses.

d) Derecognition criteria

Financial assets are derecognised only if the disposal involved the transfer of all risks and rewards related to the assets themselves. If a significant portion of the risks and rewards related to the financial asset that has been sold is retained, the risks and rewards will continue to be recognised in accounts, even though legally the ownership of the assets themselves has been transferred. In the event that it has not been possible to ascertain the substantial transfer of the risks and rewards, the financial assets are derecognised if no control of any kind has been retained. If this is not the case, retention, even only partial, of control of the assets involves their continued recognition in proportion to the residual involvement, measured according to the exposure to changes in the value of the transferred assets and changes in the related cash flows.

4. Property and equipment

a) Recognition criteria

Property and equipment are initially recognised at cost, which in addition to the acquisition price, includes any potential additional expenses relative to the acquisition and activation of the asset.

Expenses for extraordinary maintenance that include an increase in future economic benefits are recognised as an increase in the amount of the asset, while other ordinary maintenance costs are recognised in the income statement. Financial expense is recognised according to IAS 23, and is therefore recognised as an expense in the year in which it is incurred.

b) Classification criteria

Property and equipment include furniture, furnishings and equipment of any kind. Also included are the right of use gained through lease relating to the use of tangible assets (for the lessee) and the assets granted in operating lease (for the lessor) in accordance with IFRS 16.

They are assets held to be used in the production or supply of goods and services, to be leased to a third party or held for administrative purposes, and are assumed to be used for more than one year.

c) Measurement and recognition criteria for income components

Property and equipment are valued at cost, net of depreciation and any impairment losses.

Property and equipment are systematically depreciated throughout their useful life, adopting the straight line depreciation method in accordance with the provisions contained in IAS 16. The useful life of property and equipment subject to depreciation is periodically subject to checks; in the event of a significant adjustment of the initial estimates, the relevant depreciation rate is modified accordingly.

The assets are tested for impairment at each annual and interim reporting date.

In the presence of any such indication, a comparison is made between the carrying amount and the recoverable amount, equal to the lesser of the fair value net of any costs to sell and the relevant value in use of the asset, i.e. the present value of future cash flows generated by the asset. Any adjustments are recognised as impairment losses on property and equipment in the income statement.

If the reason that led to the recognition of the impairment loss is no longer valid, it is reversed to the extent of the amount that the asset would have had, net of depreciation, in the absence of the previous impairment loss.

d) Derecognition criteria

Property and equipment is derecognised at the time of disposal, or when the asset is permanently withdrawn from use and future economic benefits are not expected to arise following their disposal.

5. Intangible fixed assets

a) Recognition criteria

Intangible assets are non-monetary assets, identifiable and without physical substance, held to be used over a number of years or for an indefinite period. They are recognised at cost, and only adjusted in the event of any possible additional expenses if the future economic benefits that may be attributed to the assets are likely to be realised and the cost of the assets themselves can be determined in a reliable manner. If this is not the case, the cost of the intangible asset is recognised in the income statement in the year in which it is incurred.

Goodwill is recognised among assets when it is the result of a merger according to the identification criteria established in IFRS 3, as the residual surplus between the overall cost incurred in the deal and the net fair value of the acquired assets and liabilities

If the cost incurred is below the fair value of the assets and liabilities acquired, however, the negative difference (badwill) is directly recognised in the income statement.

b) Classification measurement and recognition criteria for income components

The cost of intangible assets is amortised on a straight line basis over the useful life of the assets. If the useful life is indefinite, then amortisation is not carried out, but there are regular checks on the accuracy of the carrying amount of the intangible assets. Intangible assets that come from software developed internally or acquired from third parties are amortised on a straight line basis, starting from the completion and activation of the technology and based on their useful life.

At the end of each year, if there is evidence of an impairment loss, the recoverable amount of the asset will be estimated. The impairment loss, which is recognised in the income statement as net impairment losses on intangible assets, is equal to the difference between the carrying amount and the recoverable amount of the assets.

Goodwill that is recognised is not amortised, but its carrying amount is regularly tested for impairment. These checks are carried out on an annual basis, or more regularly if there are any impairment indicators. For this purpose, the cash-generating units to which the individual goodwill should be attributed are identified.

The amount of any impairment loss is determined based on the difference between the carrying amount of the goodwill and its recoverable amount, if the latter is lower. The recoverable amount is the higher of the fair value of the cash-generating units, net of any costs to sell, and the value in use, represented by the present value of cash flows estimated for the years that the cash-generating unit can operate, and deriving from its disposal at the end of its useful life.

Any resulting impairment losses are recognised in the income statement. No subsequent reversal of impairment losses may be recognised.

c) Derecognition criteria

Intangible assets are derecognised at the time of their disposal, or when no future economic benefits are expected.

6. Current and deferred taxation

a) Recognition criteria

Current and deferred taxes, calculated according to the national taxation law accrual basis, are recognised in line with the methods of recognising the income and expense that generated them, applying the tax rates in force.

Income taxes are recognised in the income statement with the exception of those relating to items debited directly from or credited directly to equity.

Provisions for income taxes are determined based on a prudent forecast of current tax charges and deferred taxes.

Current taxation includes the net balance between current liabilities for the year and current tax assets, represented by pre-paid taxes and other assets for tax withholdings.

Deferred taxes are determined based on temporary differences – with no time limits – between the amount attributed to an asset or a liability according to statutory criteria and the corresponding amount assumed for tax purposes.

Deferred tax assets are recognised in the financial statements to the extent in which they are likely to be recovered. This likelihood is assessed based on the company's capacity to generate continuing positive taxable income, as it has opted to take part in the national tax consolidation scheme.

Liabilities for deferred taxes are recognised in the financial statements, with the sole exception of the reserves taxed on distributions, as the size of available reserves already subject to taxation makes it reasonable to assume that no initiatives will be carried out that will lead to them being taxed.

Deferred tax assets and liabilities are offset against each other for the year, taking into account the expected period of time for their recovery, with the resulting figure being recognised in the statement of financial position.

In the years in which temporary deductible differences are higher than temporary taxable differences, the related deferred tax assets are recognised as such in the statement of financial position.

In contrast, in years when the temporary taxable differences are higher than the temporary deductible differences, the related deferred taxes are recognised under deferred tax liabilities.

b) Classification and measurement criteria

Deferred tax assets and liabilities are systematically assessed to consider any potential changes in regulations or tax rates. The amount of the provision for taxes is also adjusted in order to meet the charges that could come from inspections the company has already been notified of or from ongoing disputes with tax authorities.

c) Recognition criteria for income components

If deferred tax assets and liabilities relate to components recognised in the income statement, they are recognised as income taxes.

In the event that deferred tax assets and liabilities relate to transactions recognised directly under equity without appearing in the income statement (such as, for example, the measurement of financial instruments measured through other comprehensive income or cash flow hedges), the taxes are also recognised under equity, highlighting the specific reserves where this is relevant.

7. Other assets

This item includes assets that cannot be assigned to other items in the assets section of the statement of financial position.

8. Share-based payments

These are payments to employees or other similar parties, as payment for work services, settled in shares in the company. The reference international accounting principle is IFRS 2 – Share based payments; with the Company's obligation in relation to the work services provided to be settled in shares and stock options, the applicable accounting principle in this circumstance is the "equity-settled share based payment". The cost of transactions settled with equity instruments is determined by the fair value on the date of award, using an appropriate valuation method. This cost, along with the corresponding increase in shareholders' equity, is recognised under personnel costs and as an increase in the value of equity investments (if employed by a subsidiary) over the vesting period in which the conditions relating to achievement of objectives and/or delivery of services are met. At the end of each reporting period, the cumulative costs recognised for these transactions up to the vesting date are commensurate with the expiry of the vesting period. The general accounting rule envisaged by IFRS 2 for this case provides for costs to be recognised among personnel expenses with a balancing entry in a shareholders' equity reserve; the cost is accounted for on a pro-rata basis over the vesting period of the counterparty's right to receive payment in shares, spreading the cost equally over the period.

9. Accruals to provisions for risks and charges

Provisions for risks and charges are only made when:

- there is a present obligation (legal or implicit) as a result of a previous event;
- it is probable that an outflow of resources embodying economic benefits will be required to fulfil an obligation; and
- a reliable valuation of the amount of the obligation can be made.

Where the time value of money is significant, provisions are discounted using a rate that reflects the specific risks related to the liability, where appropriate.

Provisions for risks and charges are recognised under “Accruals to provisions for risks and charges”. When provisions are discounted, the increase due to the passage of time is recognised as a financial expense in profit or loss.

“Provisions for risks and charges” includes allowances relating to the long-term benefits identified in IAS 19 and the provisions for risks and charges identified in IAS 37.

No provisions are made for potential but not probable liabilities, but a description of the nature of the liability is provided in the explanatory notes to the financial statements where considered appropriate.

10. Post-employment benefits

As of 1st January 2007, the 2007 Finance Act and relative implementing legislation introduced changes to regulations for post-employment benefits, including giving employees the choice of how to invest their accruing benefits.

In particular, new flows can be channelled by the employee to complementary pension funds, or kept within the company (in which case the company will transfer the contributions into a treasury account set up with the Italian National Social Security Institution: INPS).

The amount of contributions accruing as from 1st January 2007, for those opting for direct payment into the INPS treasury fund, is determined based on the contributions due without applying actuarial calculation methods.

11. Financial assets measured at amortised cost

a) Recognition criteria

The initial recognition of such financial liabilities is made upon receiving the collected amounts, and is based on the fair value of the liabilities, normally equal to the amount cashed in plus any expenses/income directly attributable to each transaction. Internal administrative expenses are excluded.

b) Classification criteria

This item includes amounts due to banks, financial backers and customers. It also includes liabilities for transactions involving repurchase agreements and securities lending. Repurchase agreements include an obligation or option for forward sale. The item also includes liabilities recognised in accordance with IFRS 16.

c) Measurement and recognition criteria for income components

After initial recognition, financial liabilities are measured at amortised cost using the effective interest method.

An exception is made for short term liabilities, where the time factor is considered negligible, which are recognised at the amount collected.

d) Derecognition criteria

Financial liabilities are derecognised when they expire or when they are settled.

12. Financial liabilities held for trading

a) Recognition criteria

Financial liabilities held for trading are recognised at fair value on the date of subscription or at the date of issue, without considering costs or income from transactions that can be directly attributed to the instrument itself.

This category of liabilities includes trading derivative contracts with a negative fair value, as well as implicit derivatives with a negative fair value embedded in complex contracts – in which the primary contract is a financial liability – that are not strictly linked to the contract itself.

b) Classification criteria

This category includes debt securities supported by the right to receive such securities through security lending contracts, and the fair value loss on derivative contracts with the exception of those designated as hedging instruments.

c) Measurement criteria

After initial recognition, financial liabilities held for trading are measured at fair value, with changes in value recognised through profit and loss. To determine the fair value of financial instruments traded on an active market, market prices are used. In the absence of an active market, generally accepted estimate methods and valuation models are used. In the absence of an active market, generally-accepted estimates and valuation models are used. These are based on data available on the market, such as: methods based on the valuation of listed instruments that have similar characteristics, discounted cash flow analysis, option pricing models and values recorded in recent similar transactions.

d) Derecognition criteria

Financial liabilities are derecognised when they expire or when they are settled. Derecognition also occurs when previously-issued securities are repurchased. The difference between the carrying amount of the liability and the amount paid to purchase it is recorded in the income statement.

e) Recognition criteria for income components

Fair value gains and losses on financial liabilities are recognised in the income statement.

13. Other liabilities

This item includes liabilities that cannot be attributed to other items in the liabilities section of the statement of financial position.

14. Foreign currency transactions

a) Recognition criteria

On initial recognition, foreign currency transactions are recognised in the reporting currency, applying the exchange rate in force on the date of the transaction to the amount in foreign currency.

b) Classification, measurement, recognition and derecognition criteria for income components

At each annual and interim reporting date, monetary items in foreign currency are converted at the exchange rate in force on the reporting date.

15. Other information

Costs and revenues

Revenue is recognised when received or when future benefits are likely to be received, if such benefits can be quantified in a reliable manner, based on the provisions of IFRS 15.

Costs are recognised on the income statement whenever benefits decrease such that there is a decrease in assets or an increase in liabilities.

Interest income and expense from instruments measured at amortised cost are recognised in the income statement based on the effective interest rate of the instrument.

Dividends are recognised in the income statement at the time the distribution is decided.

Revenue arising from the trading or issue of financial instruments, determined by the difference between the transaction price and the fair value of the instrument, is recognised in the income statement at the time the transaction is recognised if the fair value can be determined with reference to set parameters or recent transactions on the same market in which the instrument is traded; otherwise, it is distributed over time, taking into consideration the overall duration and nature of the instrument.

Income from financial instruments for which the above measurement is not possible are recorded in the income statement over the term of the transaction.

Net trading income includes the measurement of transactions in securities that were not yet settled at the time of the reporting date.

16. Use of estimates

The preparation of financial statements and explanatory notes in accordance with IFRS require Directors to use estimates and assumptions that impact the carrying amount of assets and liabilities and the disclosure on contingent assets and liabilities at the reporting date.

The estimates and assumptions used are based on experience and on all factors considered relevant. Final results could therefore differ from these estimates. The estimates and assumptions are revised periodically, and the impact of any changes are reflected in the income statement relating to the year in which the change in estimate is made, if the estimate only affects that year, or also in subsequent years if the change in estimates will also have an impact on future years.

A.3 – Disclosure on transfers between financial asset portfolios

The company has not reclassified any financial assets either in the current or previous years..

A.4 –Fair Value Disclosure

Qualitative information

IFRS 13 – For Fair Value measurement, “fair value” is defined 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. This value therefore corresponds to the so-called exit price, which reflects the features of the asset or liability that is the subject of measurement as they would be perceived by a market participant (the so-called market participant view).

A fair value measurement refers to an ordinary transaction executed or executable between market participants, where market is defined as:

- the principal market, i.e. the market with the greatest volume and level of activity for the asset or liability to which the SIM has access;
- or, in the absence of an active market, the most advantageous market, i.e. the one that maximises the amount that would be received to sell the asset or minimises the amount that would be paid to transfer a liability, after taking into account transaction and transport costs.

IFRS 13 seeks to increase consistency and comparability in fair value measurements and related disclosures through a 'fair value hierarchy' (which had already been introduced in IFRS 7). The hierarchy categorises the inputs used in valuation techniques into three levels.

This classification approach has the aim of establishing an objective hierarchy of the fair value in function of the degree of discretion applied, giving precedence to the use of parameters that can be observed on the market that reflect the assumptions that market participants would use in valuing assets and liabilities.

The fair value hierarchy is defined based on the origin, type and quality of input data used in models for measuring fair value, and not based on the valuation models themselves. The highest priority is given to level 1 inputs.

Fair value measured based on level 1 inputs

The fair value is measured based on inputs that can be observed, such as quoted prices in active markets for the financial instrument that the entity can access at the measurement date. A quoted market price in an active market provides the most reliable evidence of fair value and is therefore prioritised in the measurement process.

For the purposes of IFRS 13 a market is defined as being active when the frequency and volume of transactions for an asset or liability is enough to guarantee the information needed for the measurement of fair value on a continuous basis.

Specifically, equity securities and bonds quoted on regulated markets (e.g. MOT/MTS) are considered to be quoted on an active market, as are those securities not quoted on a regulated market but for which prices that represent effective and regular market transactions are continuously available from the main trading platforms.

The fair value of securities quoted on regulated markets is generally represented by the reference price recorded on the last working day in the reporting period on the respective market; for securities that are not quoted on a regulated market, the fair value is represented by the price on the last day of trading that is considered to be representative based on internal policies.

With reference to other financial instruments with level 1 inputs, such as derivatives, exchange-traded funds, and quoted real estate funds, for example, the fair value is represented by the closing price on the day in which the measurement is made.

Fair value measured based on level 2 inputs

If a price cannot be determined on an active market, the fair value is measured through valuation models that use market inputs.

The measurement uses parameters that are directly or indirectly observable, such as:

- prices quoted on active markets for similar assets or liabilities;
- bid and ask prices on OTC circuits quoted by a number of market makers (typically used for bonds);
- other observable inputs, such as interest rates or yield curves, implicit volatility, reference prices for underlying assets, and default rates.

Based on the above considerations, the measurement resulting from the technique adopted involves a reduced impact of unobservable inputs, as the main parameters used in the measurement are drawn from the market and the results of the calculation methodologies used replicate quotations on active markets.

Level 2 inputs include:

- OTC derivatives
- Debt securities
- Amounts due to banks, other financial backers and customers, and loans and receivables

Fair value measured based on level 3 inputs

Measurement is made through using significant inputs that cannot be observed from the market, and therefore involves the adoption of internal estimates and assumptions.

Level 3 of the fair value hierarchy includes:

- Equity instruments issued by companies in default;
- Bonds issued by companies in default
- Amounts due to banks, other financial backers and customers, and loans and receivables.

Finally, it should be noted that the fair value is classified as level 3 when it is measured using market parameters that have been significantly adjusted to reflect valuation considerations specific to the instrument that is the object of measurement.

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

This section provides information on the measurement techniques and input used in order to measure fair value for assets and liabilities measured using level 2 and 3 inputs that are recognised at fair value in the financial statements, as well as those for which the fair value is provided purely for information purposes.

Assets and liabilities measured at fair value

OTC derivatives

The method used for calculating the fair value of OTC derivatives involves the use of closed-form models provided by Bloomberg. Specifically, the main pricing models used for OTC derivatives are: Black-Scholes Trinomial and Black-Scholes Continuous.

These pricing models are used on a continuous basis and are subject to regular checks to ensure that they remain accurate over time.

The market data used in fair value calculations of derivatives are classified, according to their availability, as follows:

- prices of quoted instruments: all products quoted on the leading international stock exchanges or the main financial market data platforms;
- market parameters available on information provision platforms: all instruments that, while not quoted on an official market, are readily available on financial market information circuits given the guaranteed continuous contribution from various brokers and/or market makers.

Debt securities

The process adopted by Intermonte SIM for the measurement of the fair value of debt securities involves the use, in order, of prices sourced from BVAL, CBBT or BGN, provided by Bloomberg (the bid price for assets and the ask price for liabilities). These are prices from various market makers on OTC circuits. These prices are not the prices in operation on the bond market, but rather the estimated average based on direct participants in the quotation of the security on that particular day.

A.4.2 Internal processes and valuation sensitivity

Intermonte SIM has adopted specific policies to determine valuations at fair value, which have been formalised in specific internal regulations approved by the company's senior management, especially in light of the amendments introduced by IFRS 9. These policies aim to guarantee correct and consistent application of IFRS 13 as well as identifying the level 3 inputs used.

For financial instruments measured at fair value and classified in level 3 of the fair value hierarchy, no sensitivity analysis is provided because the fair value measurement models do not allow for the development of alternative scenarios with regard to unobservable inputs used for valuation purposes, and because the impact of any changes in these inputs is not considered to be significant.

A.4.3 Fair value hierarchy

In accordance with IFRS 13, the inputs to the valuation techniques adopted to measure the fair value of financial assets and liabilities are classified into 3 levels:

- Level 1: if the financial instrument is quoted on an active market;
- Level 2: if the fair value is measured based on valuation techniques based on parameters that are observable on the market, other than the actual quotations of the financial instrument;
- Level 3: if the fair value is measured based on valuation techniques that are based on parameters that are not observable on the market;

For more information on the models adopted, refer to the previous paragraphs.

In compliance with the provisions of paragraph 93, letter c) of IFRS 13we hereby disclose that during the reporting period there were no transfers of assets or liabilities between Level 1 and Level 2.

Quantitative Information

A.4.5 Fair value hierarchy

A.4.5.1 Assets and liabilities measured at fair value on a recurring basis: distribution by fair value level

Assets/liabilities measured at fair value	31 12 2024			31 12 2023		
	Level 1	Level 2	Level 3	Level 1	Level 2	Level 3
1. Assets measured at fair value through profit or loss:	66,317,941	7,194,477	3,056	82,832,435	12,968,905	156,009
a) financial assets held for trading	66,317,941	7,194,477	3,056	82,832,435	12,968,905	156,009
b) financial assets designated at fair value	-	-	-	-	-	-
c) other financial assets mandatorily measured at fair value	-	-	-	-	-	-
2. Financial assets measured at fair value through other comprehensive income	-	-	-	-	-	-
3. Hedging derivatives	-	-	-	-	-	-
4. Property and equipment	-	-	-	-	-	-
5. Intangible assets	-	-	-	-	-	-
Total	**66,317,941**	**7,194,477**	**3,056**	**82,832,435**	**12,968,905**	**156,009**
1. Financial liabilities held for trading	13,138,119	303,432	87,954	20,372,021	147,422	87,938
2. Financial liabilities measured at fair value	-	-	-	-	-	-
3. Hedging derivatives	-	-	-	-	-	-
Total	**13,138,119**	**303,432**	**87,954**	**20,372,021**	**147,422**	**87,938**

A.4.5.2 Changes in level 3 financial assets measured at fair value on a recurring basis

	Financial assets measured at fair value through profit or loss				**Financial assets measured at fair value through other comprehensive income**	Hedging derivatives	Property and equipment	Intangible assets
	Total	of which a:) Financial assets held for trading	of which b:) Financial assets measured at fair value	of which c:) Other financial assets mandatorily measured at f.v.				
l. Opening balance	**156,009**	**156,009**	**-**	**-**	**-**	**-**	**-**	**-**
2. Increases	**4**	**(6,900)**	-	-	-	-	-	-
2.1. Acquisitions	-	-	-	-	-	-	-	-
2.2. Gains recognised in:	-	-	-	-	-	-	-	-
2.2.1 Profit or loss	4	4	-	-	-	-	-	-
of which: capital gains	4	*4*	-	-	-	-	-	-
2.2.2 Equity	-	-	-	-	-	-	-	-
2.3. Transfers from other levels	-	-	-	-	-	-	-	-
2.4. Other increases	-	(6,904)	-	-	-	-	-	-
3. Decreases	**(146,053)**	**(146,053)**	-	-	-	-	-	-
3.1. Sales	(103)	(103)	-	-	-	-	-	-
3.2. Redemptions	-	-	-	-	-	-	-	-
3.3. Losses recognised in:	(145,950)	(145,950)						
3.3.1. Profit or loss	(145,950)	(145,950)	-	-	-	-	-	-
of which: capital losses	(145,950)	*(145,950)*	-	-	-	-	-	-
3.3.2 Equity	-	-	-	-	-	-	-	-
3.4. Transfers to other levels	-		-	-	-	-	-	-
3.5. Other decreases	-	-	-	-	-	-	-	-
4. Closing balance	**3,056**	**3,056**	**-**	**-**	**-**	**-**	**-**	**-**

A.4.5.3 Changes in level 3 financial liabilities measured at fair value on a recurring basis

	Financial liabilities held for trading	Financial liabilities designated at f.v.	Hedging derivatives
I. Opening balance	**87,938**	-	-
2. Increases	(35)	-	-
2.1. Issues	-	-	-
2.2. Losses recognised in:	-	-	-
2.2.1 Profit or loss	-	-	-
of which: capital losses	-	-	-
2.2.2 Equity	-	-	-
2.3. Transfers from other levels	(35)	-	-
2.4. Other increases	-	-	-
3. Decreases	51	-	-
3.1..Redemptions	51	-	-
3.2. Repurchases	-	-	-
3.3. Gains recognised in:	-	-	-
3.3.1 Profit or loss	-	-	-
of which: capital gains	-	-	-
3.3.2 Equity	-	-	-
3.4. Transfers to other levels	-	-	-
3.5. Other decreases	-	-	-
4. Closing balance	**87,954**	-	-

A.4.5.4 Assets and liabilities not measured at fair value or measured at fair value on a non-recurring basis: distribution by fair value level

Assets/Liabilities not measured at fair value or measured at fair value on a non-recurring basis	Total as at 31 12 2024				Total as at 31 12 2023			
	CA	L 1	L 2	L 3	CA	L 1	L 2	L 3
1. Financial assets measured at amortised cost	31,440,084	-	-	31,440,084	69,360,464	-	-	69,360,464
3. Property and equipment held for investment	-	-	-	-	-	-	-	-
4. Discontinued operations and disposal groups	-	-	-	-	-	-	-	-
Total	**31,440,084**	**-**	**-**	**31,440,084**	**69,360,464**	**-**	**-**	**69,360,464**
1. Financial liabilities measured at amortised cost	44,393,391	-	-	44,393,391	96,088,605	-	-	96,088,605
2. Liabilities associated with disposal groups	-	-	-	-	-	-	-	-
Total	**44,393,391**	**-**	**-**	**44,393,391**	**96,088,605**	**-**	**-**	**96,088,605**

Key

CA = Carrying amount
L1 = Level 1
L2 = Level 2
L3 = Level 3

A.5 - Information on so-called “Day one profit/loss”

Day one profit/loss, as defined in IFRS 7 paragraph 28, derives from the difference at the time of first recognition between the transaction price of the financial instrument and the fair value. This difference is found for financial instruments for which there is no active market, and is booked on the income statement based on the useful life of the financial instrument in question.

The company has not carried out any transactions generating significant income components identifiable as day one profit/loss.

Part B

Notes to the Statement of Financial Position

ASSETS

Section 1 – Cash and cash equivalents – Item 10

1.1 Breakdown of cash and cash equivalents

	31 12 2024	31 12 2023
Franking machine	1,145	192
Cash	6,229	4,031
Foreign currency	3,163	2,850
Current account deposits with banks	34,236,338	32,512,907
Total	**34,246,874**	**32,519,980**

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Section 2 – Financial assets measured at fair value through profit or loss – Item 20

2.1 Financial assets held for trading: breakdown by type

	31 12 2024			31 12 2023		
	L1	L2	L3	L1	L2	L3
A. On-balance sheet assets						
1. Debt securities	12,841,653	5,577,295	3,001	4,877,264	87,538	9,905
1.1 structured securities	-	-	-	-	-	-
1.2 other debt securities	12,841,653	5,577,295	3,001	4,877,264	87,538	9,905
2. Equity securities	44,634,183	-	51	68,040,181	-	146,001
3. Stakes in UCITS	6,853	-	-	236	-	-
4. Loans	-	-	-	-	-	-
5. Others	-	-	-	-	-	-
Total A	**57,482,688**	**5,577,295**	**3,052**	**72,917,681**	**87,538**	**155,906**
B. Derivative instruments						
1. Financial derivatives	8,835,253	1,617,182	4	9,914,755	12,881,367	103
1.1 held for trading	8,835,253	1,617,182	4	9,914,755	12,881,367	103
1.2 connected with fair value option	-	-	-	-	-	-
1.3 others	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-
2.1 held for trading	-	-	-	-	-	-
2.2 connected with fair value option	-	-	-	-	-	-
2.3 others	-	-	-	-	-	-
Total B	**8,835,253**	**1,617,182**	**4**	**9,914,755**	**12,881,367**	**103**
Total A+B	**66,317,941**	**7,194,477**	**3,056**	**82,832,435**	**12,968,905**	**156,009**

Level 1 financial assets include debt and equity securities and derivative financial instruments listed on active markets.

Level 2 financial assets include bonds predominantly issued by banks (national and international) that are not listed on active markets but traded on OTC markets by market makers/brokers; there are also OTC derivative instruments, made up of put and call options on currencies and commodities, and bank securities. For the valuation methodology refer to table A.4.5.1.

Among level 3 financial assets are bonds and equity securities that are not listed or whose prices have been stable for more than two weeks. For the valuation methodology refer to the final section of table A.4.5.1.

Legend:

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

2.2 Derivative financial instruments

	Total as at 31/12/2024				Total as at 31/12/2023			
	Over the counter				Over the counter			
		No central counterparty				No central counterparty		
	Central counterparty	With clearing agreements	Without clearing agreements	Organised markets	Central counterparty	With clearing agreements	Without clearing agreements	Organised markets
1. Debt and interest rate securities								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
2. Equity and equity index securities								
–Notional value	-	44,179,750	-	8,835,253	-	86,175,317	-	20,412,832
–Fair value	-	1,617,186	-	8,835,253	-	12,881,470	-	9,914,755
3. Currencies and gold								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
4. Loans								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
5. Commodities								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
6. Other								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
Total	**-**	**1,617,186**	**-**	**8,835,253**	**-**	**12,881,470**	**-**	**9,914,755**

2.3 Financial assets held for trading: breakdown by debtors / issuers / counterparties

	Total as at 31/12/2024	Total as at 31/12/2023
A. ON-BALANCE SHEET ASSETS		
1. Debt securities	**18,421,948**	**4,974,707**
a) Public bodies	11,766,515	4,881,228
b) Banks	4,872,029	-
c) Other financial companies	-	1,485
of which: insurance companies	-	-
d) Non-financial companies	1,783,405	91,994
2. Equity securities	**44,634,234**	**68,186,187**
a) Banks	13,479,484	20,266,183
b) Other financial companies	4,514,735	3,829,734
of which: insurance companies	3,910,800	3,051,454
c) Non-financial companies	26,640,016	44,090,270
d) Others	-	-
3. Stakes in UCITs	**6,853**	**236**
4. Loans	-	-
a) Public bodies	-	-
b) Banks	-	-
c) Other financial companies	-	-
of which: insurance companies	-	-
d) Non-financial companies	-	-
e) Households	-	-
Total A	**63,063,035**	**73,161,130**
B. DERIVATIVE FINANCIAL INSTRUMENTS		
a) Central counterparties	8,474,518	9,593,607
b) Others	1,977,921	13,202,618
Total B	**10,452,439**	**22,796,225**
Total A + B	**73,515,474**	**95,957,355**

The breakdown of financial assets by debtor/issuer has been compiled according to the criteria provided by the Bank of Italy. Notice is drawn to the fact that there are no outstanding equity securities from issuers classed as non-performing or unlikely to pay.

Section 4 – Financial assets measured at amortised cost – Item 40

4.1 Breakdown of "Financial assets measured at amortised cost": loans and receivables with banks

	Total as at 31/12/2024						Total as at 31/12/2023					
	Carrying amount			Fair Value			Carrying amount			Fair Value		
Breakdown	**Stages 1 and 2**	**Stage 3**	**of which: purchased or originated credit-impaired loans**	**L 1**	**L 2**	**L 3**	**Stages 1 and 2**	**Stage 3**	**of which: purchased or originated credit-impaired loans**	**L 1**	**L 2**	**L 3**
1. Loans and receivables	**13,893,877**	**-**	**-**	**-**	**-**	**13,893,877**	**23,570,298**	**-**	**-**	**-**		**23,570,298**
1.1 Term deposits	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Current accounts	-	-	-	-	-	-	-	-	-	-	-	-
1.3 Receivables for services	4,313,807	-	-	-	-	4,313,807	11,782,431	-	-	-	-	11,782,431
trading	4,313,807	-	-	-		4,313,807	11,782,431	-	-	-	-	11,782,431
order collection	-	-	-	-	-	-	-	-	-	-	-	-
consultancy	-	-	-	-	-	-	-	-	-	-	-	-
placements	-	-	-	-	-	-	-	-	-	-	-	-
1.4 Repurchase agreements	9,580,070	-	-	-	-	9,580,070	11,787,867	-	-	-	-	11,787,867
-of which on government securities	-	-	-	-	-	-	-	-	-	-	-	-
-of which on other debt securities	-	-	-	-	-	-	-	-	-	-	-	-
-of which on equity securities	9,580,070	-	-	-	-	9,580,070	11,787,867	-	-	-	-	11,787,867
1.5 Other loans	-	-	-	-	-	-	-	-	-	-	-	-
2. Debt securities	**-**	**-**	**-**	**-**	-	-	**-**	**-**	**-**	**-**	-	-
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	-	-	-	-	-	-	-	-	-	-	-	
Total	**13,893,877**	**-**	**-**	**-**	**-**	**13,893,877**	**23,570,298**	**-**	**-**	**-**	**-**	**23,570,298**

For these items, which are predominantly on demand or with short-term maturities, the carrying amount has been considered a good approximation of the fair value. All loans and receivables related to the provision of assets and financial services are included. The sums include receivables for trading services provided to banks, and receivables deriving from ongoing trading transactions. They also include equity borrowing transactions deposited at the Monte Titoli depository or foreign depositaries.

Legend:

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

4.2 Breakdown of "Financial assets measured at amortised cost": loans and receivables with other financial institutions

	Total as at 31/12/2024						Total as at 31/12/2023					
	Carrying amount			Fair Value			Carrying amount			Fair Value		
Breakdown	**Stages 1 and 2**	**Stage 3**	**of which: purchased or originated credit-impaired loans**	**L 1**	**L 2**	**L 3**	**Stages 1 and 2**	**Stage 3**	**of which: purchased or originated credit-impaired loans**	**L 1**	**L 2**	**L 3**
1. Loans and receivables	**17,365,836**	**-**	**-**	**-**	**-**	**17,365,836**	**39,941,734**	**-**	**-**	**-**	**-**	**39,941,734**
1.1 Depositi e conti correnti		-	-	-	-	-		-	-	-	-	-
1.1 Receivables for services	14,915,836	-	-	-	-	14,915,836	39,791,212	-	-	-	-	39,791,212
margin deposits	14,463,704	**-**	**-**	**-**	-	14,463,704	**24,928,633**				-	24,928,633
trading	452,132	-	-	-	-	452,132	14,862,580	-	-	-	-	14,862,580
order collection	-	-	-	-	-	-	-	-	-	-	-	-
consultancy	-	-	-	-	-	-	-	-	-	-	-	-
placement	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Repurchase agreements	-	**-**	**-**	**-**	-	-	**-**	**-**	**-**	**-**	-	-
-of which on government bonds	-	-	-	-	-	-	-	-	-	-	-	-
-of which on other debt securities	-	-	-	-	-	-	-	-	-	-	-	-
-of which on equity securities	-	-	-	-	-	-	-	-	-	-	-	-
1.3 Other loans	2,450,000	-	-	-	-	2,450,000	150,522	-	-	-	-	150,522
2. Debt securities	**-**	**-**	**-**	**-**	-	-	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	-	-	-	-	-	-	-	-	-	-	-	-
Total	**17,365,836**	**-**	**-**	**-**	**-**	**17,365,836**	**39,941,734**	**-**	**-**	**-**	**-**	**39,941,734**

For these items, which are predominantly on demand or with short-term maturities, the book value has been considered a good approximation of the fair value. All operating loans and receivables related to the provision of financial activities and services are included. For the most part, the sums shown relate to deposits at Cassa di Compensazione e Garanzia for derivative transactions. Also included are ongoing trading operations, and receivables of fees for services provided to institutional clients.

Legend:

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

4.3 Breakdown of "Financial assets measured at amortised cost": loans and receivables with customers

Breakdown	Total as at 31/12/2024						Total as at 31/12/2023					
	Book Value			Fair Value			Book Value			Fair Value		
	Stages 1 and 2	Stage 3	Purchased or originated credit-impaired loans	L 1	L 2	L 3	Stages 1 and 2	Stage 3	Purchased or originated credit-impaired loans	L 1	L 2	L 3
1. Loans and receivables	**4,197,369**	**180,371**	**-**	**-**	**-**	**180,371**	**-**	**5,848,432**	**-**	**-**	**-**	**5,848,432**
1.1 Deposits and current accounts	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Receivables for services	4,043,850	180,371	-	-	-	180,371	-	5,763,672	-	-	-	5,763,672
trading	-	-	-	-	-	-	-	-	-	-	-	-
order reception	-	-	-	-	-	-	-	-	-	-	-	-
consultancy	4,043,850	180,371	-	-	-	180,371	-	5,763,672	-	-	-	5,763,672
placement	-	-	-	-	-	-	-	-	-	-	-	-
1.2 Repurchase agreements	-	-	-	-	-	-	-	-	-	-	-	-
-of which on government bonds	-	-	-	-	-	-	-	-	-	-	-	-
-of which on other debt securities	-	-	-	-	-	-	-	-	-	-	-	-
-of which on equity securities	-	-	-	-	-	-	-	-	-	-	-	-
1.3 Other loans	153,519	-	-	-	-	-	-	84,761	-	-	-	84,761
2. Debt securities	-	-	-	-	-	-	-	-	-	-	-	-
2.1 Structured securities	-	-	-	-	-	-	-	-	-	-	-	-
2.2 Other debt securities	-	-	-	-	-	-	-	-	-	-	-	-
Total	**4,197,369**	**180,371**	**-**	**-**	**-**	**180,371**	**-**	**5,848,432**	**-**	**-**	**-**	**5,848,432**

For these items, which are predominantly on demand or with short-term maturities, the book value has been considered a good approximation of the fair value. The fair value thus determined has been classified at level 3 in the fair value hierarchy. Specifically, the sums shown relate to receivables for consultancy on services provided (Specialist, Euronext Growth Advisor, Liquidity provision, Placements, Advisory, etc.).

Legend:

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

4.4 "Financial assets measured at amortised cost": gross value and net impairment losses

	Gross Value					Net impairment loss				Partial gross write-offs
	Stage 1		Stage 2	Stage 3	Purchased or originated credit-impaired loans	Stage 1	Stage 2	Stage 3	Purchased or originated credit-impaired loans	
		of which: securities with low credit risk								
Debt securities	-	-	-	-	-	-	-	-	-	-
Loans and receivables	35,457,081	-	-	180,371	-	-	-	(157,333)	-	-
Other assets	-	-	-	-	-	-	-	-	-	-
Total as at 31/12/2024	**35,457,081**	**-**	**-**	**180,371**	**-**	**-**	**-**	**(157,333)**	**-**	**-**
Total as at 31/12/2023	**69,360,464**	**-**	**-**	**69,360,464**	**-**	**-**	**-**	**288,690**	**-**	**-**

Section 8 – Property and equipment – Item 80

8.1 Property and equipment for business use: breakdown of assets measured at cost

	Total as at 31/12/2024	Total as at 31/12/2023
1. Owned	**139,181**	**186,258**
a) land	-	-
b) buildings	-	-
c) furnishings	13,761	9,024
d) electronic equipment	82,382	145,762
e) other assets	43,039	31,472
2. Right of usage acquired through lease	**1,912,511**	**2,571,333**
a) land	-	-
b) buildings	1,912,511	2,571,333
c) furnishings	-	-
d) electronic equipment	-	-
e) other assets	-	-
Total	**2,051,692**	**2,757,591**

8.5 Property and equipment for business use: annual changes

	Land	Buildings	Furnishings	Electronic equipment	Others	Total
A. Gross opening balance as at 31 12 2023	**-**	**2,571,333**	**9,024**	**145,762**	**31,472**	**2,757,591**
A.1 Net total impairment losses	-	-	-	-	-	-
A.2 Net opening balance as at 01 01 2024	**-**	**2,571,333**	**9,024**	**145,762**	**31,472**	**2,757,591**
B. Increases	**-**	72,344	**7,528**	**41,167**	**30,597**	**151,636**
B.1 Acquistions	-	-	7,528	41,167	30,597	151,636
B.2 Capitalised spending on improvements	-	-	-	-	-	-
B.3 Reversals of impairment losses	-	-	-	-	-	-
B.4 Fair value gains	-	-	-	-	-	-
recognised in:	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
B.5 Exchange rate gains	-	-	-	-	-	-
B.6 Transfers from investment property	-	-	-	-	-	-
B.7 Other increases	-	72,344	-	-	-	-
C. Decreases	**-**	**(731,166)**	**(2,792)**	**(104,547)**	**(19,030)**	**(857,535)**
C.1 Sales	-	-	-	-	-	-
C.2 Depreciation	-	(731,166)	(2,792)	(104,547)	(19,030)	(857,535)
C.3 Impairment losses	-	-	-	-	-	-
recognised in :	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
C.4 Fair value losses	-	-	-	-	-	-
recognised in :	-	-	-	-	-	-
a) equity	-	-	-	-	-	-
b) profit or loss	-	-	-	-	-	-
C.5 Exchange rate losses	-	-	-	-	-	-
C.6 Transfers	-	-	-	-	-	-
a) property and equipment held for investment	-	-	-	-	-	-
b) non-current assets held for sale	-	-	-	-	-	-
C.7 Other decreases	-	-	-	-	-	-
D. Net closing balance as at 31 12 2024	**-**	**1,912,511**	**13,761**	**82,382**	**43,039**	**2,051,692**
D.1 Net total impairment losses	-	-	-	-	-	-
D.2 Gross closing balance as at 31 12 2024	**-**	**1,912,511**	**13,761**	**82,382**	**43,039**	**2,051,692**
E. Cost measurement						

Property and equipment items are included in the financial statements at cost and are depreciated on the basis of the real economic/technical impairment. No revaluations have ever been recorded.

8.7 Commitments for the purchase of equipment and property (IAS 16/74 C)

It is reported that, in accordance with the provisions of IAS74 para.16, a), the company has signed no commitments/orders for asset purchases.

Section 9 – Intangible assets – Item 90

9.1 Breakdown of "Intangible assets"

	Total as at 31/12/2024		Total as at 31/12/2023	
	Assets measured at cost	Assets measured at fair value	Assets measured at cost	Assets measured at fair value
1. Goodwill	-	-	-	-
2. Other intangible assets	**85,121**	-	**149,039**	-
2.1) generated in-house	-	-	-	-
2.2) others	85,121	-	149,039	-
TOTAL	**85,121**	**-**	**149,039**	**-**

The "Intangible assets" entered in the balance sheet are mainly composed of software licences, booked at cost.

9.2 "Intangible assets" annual changes

	Total
A. Opening balance as at 01 01 2024	**149,039**
B. Increases	**57,950**
B.1 Purchases	57,950
B.2 Reversals of impairment losses	-
B.3 Fair value gains recognised in :	-
- equity	-
- profit or loss	-
B.4 Other changes	-
C. Decreases	**(121,868)**
C.1 Sales	-
C.2 Amortisation	(121,868)
C.3 Impairment losses	-
- equity	-
- profit or loss	-
C.4 Fair value losses recognised in :	-
- equity	-
- profit or loss	-
C.5 Other changes	-
D. Closing balance as at 31 12 2024	**85,121**

Section 10 – Tax assets and liabilities – Item 100 and Item 60 of liabilities

10.1 Breakdown of "Current and deferred tax assets"

"CURRENT TAX ASSETS"

	31 12 2024	31 12 2023
Pre-paid corporate income tax (IRES)	781,640	1,442,308
Pre-paid regional business tax (IRAP)	137,860	137,860
Credit from Patent Box	-	-
Interim tax payment for revaluation of post-employment benefits	-	394
Withholding for capital gains tax	1,957,729	399,240
Other assets and deductions, to be recovered after lodgement of tax return	499,967	438,840
Current tax assets	**3,377,196**	**2,418,642**

Tax effects are recognised according to principles consistent with those for the recognition of the events and transactions that generated them. The increase in the withholding for capital gains tax is the result of positive financial market trends.

"DEFERRED TAX ASSETS"

	31 12 2024		31 12 2023	
	IRES	**IRAP**	**IRES**	**IRAP**
Personnel expense	644,454	-	829,612	-
Impairments for issuers	11,868	-	18,233	-
Maintenance expense	-	-	-	-
Leasehold improvements	-	-	-	-
Carry-forward losses from previous fiscal year		-	-	-
Provision for risks	120,000	-	120,000	-
Deferred tax assets	**776,322**	**-**	**967,845**	**-**
TOTAL	**776,322**		**967,845**	

Assets and liabilities are measured by taking the nominal values of temporary differences and applying the tax rates in force in the periods when reversals of such temporary differences occur, taking tax provisions in force at the interim reporting date into account

10.2 Breakdown of "Current and deferred tax liabilities"

"CURRENT TAX LIABILITIES"

	31 12 2024	31 12 2023
Corporate income tax (IRES) liabilities	2,376,605	1,075,094
Regional business tax (IRAP) liabilities	-	-
Current tax liabilities	**2,376,605**	**1,075,094**

10.3 Changes in deferred tax assets (through profit and loss)

	31 12 2024		31 12 2023	
	IRES	IRAP	IRES	IRAP
1. Opening balance	967,844	-	1,072,971	-
2. Increases	309,981		261,785	
2.1 Deferred tax assets recognised in the year:	-	-	-	-
a) relating to previous years	23,256	-	3,391	-
b) due to changes in accounting criteria	-	-	-	-
c) reversals of impairment losses	-	-	-	-
d) others	286,725	-	258,394	-
2.2 New taxes or increases in tax rates		-	-	-
2.3 Other increases	-	-	-	-
3. Decreases	(501,503)		(366,911)	
3.1 Deferred tax assets derecognised in the year:	-	-	-	-
a) reversals	-	-	-	-
b) impairment losses due to irrecoverable positions	-	-	-	-
c) due to changes in accounting criteria	-	-	-	-
d) others	(501,503)	-	(366,911)	-
3.2 Reduction in tax rates	-	-	-	-
3.3 Other decreases	-	-	-	-
a) Transfer into tax assets in accordance with law 214/2011	-	-	-	-
b) Others	-	-	-	-
4. Closing balance	**776,322**	**-**	**967,845**	**-**
TOTAL	776,322		967,845	

Section 12 – Other assets – Item 120

12.1 Breakdown of "Other assets"

	31 12 2024	31 12 2023
Guarantee deposits	300	300
CO2 emissions credits	-	-
Tax credits	480,615	405,222
Prepaid expenses	1,450,616	358,368
Other assets	313,357	497,432
Total	**2,244,888**	**1,261,321**

"Prepaid expenses" are calculated on costs that are financially incurred during the current year but are, in whole or in part, accrued in subsequent periods.

SLIABILITIES

Section 1 – Financial liabilities measured at amortised cost – Item 10

1.1 Breakdown of "Financial liabilities measured at amortised cost": amounts due

	Total as at 31/12/2024			Total as at 31/12/2023		
	Due to banks	Due to other financial backers	Due to customers	Due to banks	Due to other financial backers	Due to customers
1. Loans	36,129,374	171,244	-	62,800,812	-	-
1.1 Repurchase agreements	36,127,372	-	-	58,202,746	-	-
- of which on government securities	-	-	-	-	-	-
- of which on other debt securities	-	-	-	-	-	-
- of which on equity securities	36,127,372	-	-	58,202,746	-	-
1.2 Loans	2,002	171,244	-	4,598,066	-	-
2. Lease liabilities	2,062,732	-	-	2,795,342	-	-
3. Other	1,702,925	3,092,097	1,235,018	1,588,726	15,508,512	13,395,214
Total	**39,895,032**	**3,263,341**	**1,235,018**	**67,184,879**	**15,508,512**	**13,395,214**
Fair value - level 1	**-**	**-**	**-**	**-**	**-**	**-**
Fair value - level 2	**-**	**-**	**-**	**-**	**-**	**-**
Fair value - level 3	**39,895,032**	**3,263,341**	**1,235,018**	**67,184,879**	**15,508,512**	**13,395,214**
Total fair value	**39,895,032**	**3,263,341**	**1,235,018**	**67,184,879**	**15,508,512**	**13,395,214**

Regarding amounts due to banks and financial institutions, these are mainly current account relationships held with credit institutions and securities lending transactions on equity securities. Loans include lines of credit and loans with credit institutions. Other liabilities relate to pending trading transactions. Amounts due to customers predominantly have short maturities and the carrying amount is considered to be a reasonable approximation of the fair value, which has been classified at level 3 on the hierarchy. It should be noted that no amounts are due to financial advisers, nor is there any subordinated debt.

Section 2 – Financial liabilities held for trading – Item 20

2.1 Breakdown of "Financial liabilities held for trading"

	Total as at 31/12/2024					Total as at 31/12/2023				
	Fair value					Fair value				
Liabilities	**L1**	**L2**	**L3**	**FV***	**NV**	**L1**	**L2**	**L3**	**FV***	**NV**
A. On-statement of financial position liabilities										
1. Due to banks, other financial backers and customers	6,108,324	-	87,954	6,196,278	1,961,252	8,636,506	-	87,938	8,724,444	-
2. Debt securities	-	-	-	-	-	-	-	-	-	-
- Bonds	-	-	-	-	-	-	-	-	-	-
- structured	-	-	-	-	-	-	-	-	-	-
- other bonds	-	-	-	-	-	-	-	-	-	-
- Other securities	-	-	-	-	-	-	-	-	-	-
- structured	-	-	-	-	-	-	-	-	-	-
- others	-	-	-	-	-	-	-	-	-	-
Total A	**6,108,324**	**-**	**87,954**	**6,196,278**	**1,961,252**	**8,636,506**	**-**	**87,938**	**8,724,444**	**-**
B. Derivative instruments										
1. Financial derivatives	7,029,796	303,432	-	7,333,228	405,153,353	11,735,515	147,422	-	11,882,936	489,392,034
- trading	7,029,796	303,432	-	7,333,228	405,153,353	11,735,515	147,422		11,882,936	489,392,034
- connected with the fair value option	-	-	-	-	-	-	-	-	-	-
- others	-	-	-	-	-	-	-	-	-	-
2. Credit derivatives	-	-	-	-	-	-	-	-	-	-
- trading	-	-	-	-	-	-	-	-	-	-
- connected with the fair value option	-	-	-	-	-	-	-	-	-	-
- others	-	-	-	-	-	-	-	-	-	-
Total B	**7,029,796**	**303,432**	**-**	**7,333,228**	**405,153,353**	**11,735,515**	**147,422**	**-**	**11,882,936**	**489,392,034**
Total A+B	**13,138,119**	**303,432**	**87,954**	**13,529,506**	**407,114,605**	**20,372,021**	**147,422**	**87,938**	**20,607,380**	**489,392,034**

FV* = Fair Value calculated by excluding changes in value due to changes in the issuer's creditworthiness since the date of issue
NV = Nominal/notional value
All financial instruments recorded under financial liabilities held for trading are valued at their fair value.
The sub-item "Due to banks, other financial backers and customers" includes sales of equity securities supported by the right to receive these securities through securities lending contracts. There are no subordinated or structured financial liabilities.

Legend: L1 = Level 1 L2 = Level 2 L3 = Level 3

2.4 Financial liabilities held for trading: derivative financial instruments

Underlying asset/Type of derivative	Total as at 31/12/2024				Total as at 31/12/2023			
	Over the counter				Over the counter			
		No central counterparty				No central counterparty		
	Central counterparty	With clearing agreements	Without clearing agreements	Organised markets	Central counterparty	With clearing agreements	Without clearing agreements	Organised markets
7. Debt and interest rate securities								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
8. Equity and equity index securities								
–Notional value	-	15,099,946	-	390,053,407	39,403,682	-	-	449,988,352
–Fair value	-	303,432	-	7,029,796	147,422	-	-	11,735,515
9. Currencies and gold								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
10. Loans								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
11. Commodities								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
12. Other								
–Notional value	-	-	-	-	-	-	-	-
–Fair value	-	-	-	-	-	-	-	-
Total	**-**	**303,432**	**-**	**7,029,796**	**147,422**	**147,422**	**-**	**-**

Section 6 – Tax liabilities – Item 60

See Section 10 of Assets

Section 8 – Other liabilities – Item 80

8.1 Breakdown of "Other liabilities"

	31 12 2024	31 12 2023
Tax liabilities	1,188,337	962,317
Due to social security institutions	675,367	672,758
Due to employees and freelancers	4,603,542	4,118,250
Due to suppliers	1,446,407	450,120
Amounts due for invoices to be received	643,595	524,226
Deferred income that cannot be attributed to a specific item	985,717	1,156,267
Amounts due for foreign taxes	1,410	49,262
Other amounts due	1,229,214	2,508,460
Total	**10,773,589**	**10,441,660**

With reference to the Russian-Ukrainian conflict, it should be noted that the Group is not directly or indirectly exposed and that there are no existing relationships with suppliers, creditors and/or business partners operating in the countries involved in the war.

"Other liabilities" mainly consist of amounts due to personnel and include: the amount of the bonus accrued as of December 31, 2023 to be paid in subsequent years; deferred income on revenues that have already had a financial manifestation but are accrued, in whole or in part, in the following year; amounts due to suppliers for invoices already received; accruals for invoices not yet received from suppliers as of the balance sheet date; tax liabilities and amounts due to social security institutions, mainly for IRPEF withholdings and INPS contributions related to employees.

Section 9 – Post-employment benefits – Item 90

9.1 Post-employment benefits: annual changes

	Total as at 31/12/2024	Total as at 31/12/2023
A. Opening balance	**144,023**	**110,510**
B Increases	**31,500**	**33,309**
B.1 Accruals for the year	31,500	33,309
B.2 Other increases	-	-
C Decreases	**(154)**	**-**
C.1 Amounts paid to leavers	-	-
C.2 Other decreases	(154)	-
D. Closing balance	**175,369**	**144,023**

As of 1st January 2007, pursuant to the 2007 Finance Act and related implementing legislation, new post-employment benefits may be channelled by the employee into complementary pension funds or kept within the company (in which case the company pays post-employment benefits to a treasury account set up with INPS, the government social security department). The indemnities directed to complementary pension funds do not go through the company's provision for post-employment benefits. The changes that have occurred refer to payments during the year of benefits kept in the company.

Section 10 – Provisions for risks and charges – Item 100

10.1 Breakdown of "Provisions for risks and charges"

	Total as at 31/12/2024	Total as at 31/12/2023
1. Commitments and guarantees granted	-	-
2. Company pension funds	-	-
3. Other provisions for risks and charges	2,735,443	3,626,617
3.1 legal and tax disputes	-	-
3.2 liabilities to personnel	2,235,443	3,126,617
3.3 others	500,000	500,000
Total	**2,735,443**	**3,626,617**

The provision for risks and charges mainly includes the amount of the variable component of personnel costs whose payment has been deferred.

10.2 "Company pension funds" and "Other provisions for risks and charges": annual changes

	Company pension funds	Other provisions for risks and charges	Total
A. Opening balance	**-**	**3,626,617**	**3,626,617**
B. Increases	**-**	**1,169,305**	**1,169,305**
B.1 Accruals of the year	-	1,169,305	1,169,305
B.2 Changes due to passage of time	-	-	
B.3 Changes due to adjustment in discount rate	-	-	
B.4 Other changes	-	-	-
C. Decreases	**-**	**(2,060,479)**	**(2,060,479)**
C.1 Use during the financial year	-	(2,060,479)	(2,060,479)
C.2 Changes due to adjustment in discount rate	-	-	-
C.3 Other changes	-	-	-
D. Closing balance	**-**	**2,735,443**	**2,735,443**

Section 11

Equity – Items 110, 120, 130, 140, 150 and 160

11.1 Breakdown of "Share capital"

	31 12 2024
	Amount
1. Share capital	45,950,000
1.1 Ordinary shares	45,950,000
Total share capital	**45,950,000**

The subscribed capital is made up of 32,300,000 ordinary shares and is fully paid up.

11.5 Other information

	Legal	Retained profits	Others	Total as at 31/12/2024
A. Opening balance	**9,190,000**	**-**	**(496,078)**	**8,693,922**
B Increases	**-**	**-**	**98,111**	**98,111**
B.1 Allocation of profit for the year	-	-	753	753
B.2 Other changes	-	-	97,358	97,358
C Decreases	-	-	**(325,000)**	**(325,000)**
C.1 Utilisation	-	-	-	-
- coverage of losses	-	-	-	-
- distribution	-	-	-	-
- transfer to share capital	-	-	-	-
C.2 Other changes	-	-	(325,000)	(325,000)
D. Closing balance	**9,190,000**	**-**	**(722,967)**	**8,467,033**

Breakdown of equity in accordance with article 2427 c.c. paragraph 7-bis

Nature/Description	Total amount	Purpose	Available amount	Summary of usage in the previous three years	
				For coverage of losses	For other purposes
Share capital	45,950,000				
Share premium[1]	10,005,469	ABC	9,282,501		
Income-related reserves:	8,467,033				
a) legal	9,190,000	B	9,190,000		
b) income	3,884,887	ABC			
c) others	(4,607,854)	ABC	-		
Treasury shares	-				
Other reserves:	-				
a) others	-				
Equity instruments	5,000,000				
TOTAL	**69,422,501**				

Part C

Notes to the Income Statement

Section 1 – Net trading income – Item 10

1.1 Breakdown of "Net trading income"

	Gains	Trading income	Losses	Trading loss	Net income (loss) to 31 12 2024
1. Financial assets	**1,929,445**	**13,176,439**	**(815,312)**	**(15,042,858)**	**(752,286)**
1.1 Debt securities	73,407	6,348,863	(117,354)	(163,356)	6,141,559
1.2 Equity securities and stakes in UCITS	1,856,038	6,827,576	(697,957)	(14,879,502)	(6,893,845)
1.3 Other assets	-	-	-		-
2. Financial liabilities	**-**	**-**	**-**	**-**	**-**
2.1 Debt securities	-	-	-	-	-
2.2 Loans and borrowings	-	-	-	-	-
2.3 Other liabilities	-	-	-	-	-
3. Financial assets and liabilities: exchange rate differences	-	-	-	(4,345)	(4,345)
4. Financial derivatives	**5,441,501**	**45,489,745**	**(5,323,672)**	**(33,965,545)**	**11,642,029**
- debt securities and interest rates	-	-	-	-	-
- equity securities and share indices	5,441,501	45,489,745	(5,323,672)	(33,965,545)	11,642,029
- foreign currencies	-	-	-	-	-
- Others	-	-	-	-	-
5. Credit derivatives	-	-	-	-	-
of which: natural hedges related to the fair value option	-	-	-	-	-
Total	**7,370,946**	**58,666,184**	**(6,138,984)**	**(49,012,748)**	**10,885,398**

There are no write-downs or trading losses attributable to assets of obvious poor credit quality of the borrower (issuer or counterparty).

Section 5 – Fees and commissions – Items 50 and 60

5.1 Breakdown of "Fee and commission income"

Detail	Total to 31 12 2024	Total to 31 12 2023
1. Proprietary trading	-	-
2. Execution of orders on behalf of customers	9,106,723	9,219,182
3. Placement and distribution	2,643,836	57,120
- of securities	2,643,836	57,120
- of third-party services	-	-
- individual portfolio management	-	-
- collective portfolio management	-	-
- insurance products	-	-
- others	-	-
4. Portfolio management	230,068	265,893
- proprietary	-	-
- for third parties	230,068	265,893
5. Receipt and transmission of orders	1,442,520	1,520,872
6. Investment advisory	7,415,246	5,423,389
7. Advisory on financial structure	8,216,072	9,254,827
8. Management of multilateral trading facilities	-	-
9. Management of organised trading facilities	-	-
10. Funds under custody and administration	154,192	30,719
11. Currency trading	-	-
12. Other services	808	2,634
Total	**29,209,465**	**25,774,636**

5.2 Breakdown of "Fee and commission expense"

Detail	Total to 31 12 2024	Total to 31 12 2023
1. Proprietary trading	(126,360)	(202,389)
2. Execution of orders on behalf of customers	(913,840)	(731,008)
3. Placement and distribution	(39,016)	(42,522)
- of securities	(39,016)	(42,522)
- of third-party services	-	-
- portfolio services	-	-
- other services	-	-
4. Portfolio management	-	-
- proprietary	-	-
- for third parties	-	-
5. Order collection	(216,387)	(222,076)
6. Investment advisory	(424,524)	(5,197)
7. Funds under custody and administration	-	-
8. Other services	(2,145,785)	(107,042)
Total	**(3,865,912)**	**(1,310,233)**

Section 6 – Interest – Items 70 and 80

6.1 Breakdown of "Interest and similar income"

	Debt securities	Loans	Others	Total to 31 12 2024	Total to 31 12 2023
1. Financial assets measured at fair value through profit or loss:	1,077,875	-	-	1,077,875	1,067,958
1.1 Financial assets held for trading	1,077,875	-	-	1,077,875	1,067,958
1.2 Financial assets designated at fair value	-	-	-	-	-
1.3 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:	-	-	2,991,353	2,991,353	3,421,825
3.1. Receivables with banks	-	-	1,733,592	1,733,592	1,137,084
3.2 Receivables with financial backers	-	-	997,635	997,635	2,277,087
3.3. Receivables with customers	-	-	260,126	260,126	7,654
4. Hedging derivatives	-	-	-	-	-
5. Other assets	-	-	28,484	28,484	111,393
6. Financial liabilities	-	-	-	-	-
Total	**1,077,875**	**-**	**3,019,837**	**4,097,712**	**4,601,176**
of which: interest income from impaired financial assets					

The item is predominantly composed of interest income from bonds held for trading. There is no interest income from impaired financial assets.

6.4 Breakdown of "Interest and similar expense"

	Repurchase agreements	Other loans	Securities	Others	Total to 31 12 2024	Total to 31 12 2023
1. Financial liabilities measured at amortised cost:	(2,417,475)	(214,837)	(865)	(37,406)	(2,670,583)	(4,253,259)
1.1. due to banks	(2,417,475)	(131,930)	-	(37,406)	(2,586,811)	(3,130,441)
1.2 due to financial backers	-	(82,907)	(865)	-	(83,772)	(1,122,818)
1.3. due to customers	-	-	-	-	-	
1.4. outstanding securities	-	-	-	-	-	-
2. Financial liabilities held for trading	-	-	-	-	-	-
3. Financial liabilities designated at fair value	-	-	-	-	-	-
4. Other liabilities	-	-	-	(52)	(52)	(4,164)
5. Hedging derivatives	-	-	-	-	-	-
6. Financial assets	-	-	-	-	-	-
Total	**(2,417,475)**	**(214,837)**	**(865)**	**(37,458)**	**(2,670,634)**	**(4,257,424)**
of which: interest expense on lease liabilities				*(37,406)*	*(37,406)*	-

The item is mainly composed of interest expense deriving from loans of securities.

Section 7 – Dividends and similar income – Item 90

7.1 Breakdown of "Dividends and similar income"

	Total to 31 12 2024		Total to 31 12 2023	
	Dividends	Similar income	Dividends	Similar income
1. Financial assets held for trading	5,495,192	-	7,815,388	-
2. Financial assets mandatorily measured at fair value	-	-	-	-
3. Financial assets measured at fair value through other comprehensive income	-	-	-	-
4. Equity investments	-	-	-	-
Total	**5,495,192**	**-**	**7,815,388**	**-**

Dividends predominantly refer to the amounts received in the financial year related to securities in the proprietary portfolio.

Section 8 - Net value adjustments for credit risk - Item 120

8.1 Breakdown of "Net value adjustments for credit risk related to financial assets measured at amortised cost"

Items/Adjustments	Impairments						Reversals			Total to 31 12 2024	Total to 31 12 2023
	Stage 1	Stage 2	Stage 3		Purchased or originated credit-impaired loans		Stages 1 and 2	Stage 3	Purchased or originated credit-impaired loans		
			Write-offs	Other	Write-offs	Other					
1. Debt securities	-	-	-	-	-	-	-	-	-	-	-
2. Loans	-	-	-	(180,371)	-	-	-	23,039	-	(157,333)	(209,579)
Total	**-**	**-**	**-**	**(180,371)**	**-**	**-**	**-**	**23,039**	**-**	**(157,333)**	**(209,579)**

Impairments recognised during the year relate to impairments of loans to customers.

Section 9 – Administrative expense – Item 140

9.1 Breakdown of "Personnel expense"

Type of expense / sector	Total to 31 12 2024	Total to 31 12 2023
1. Employees	**(20,654,803)**	**(18,277,062)**
a) wages and salaries	(15,887,373)	(13,872,572)
of which variable component	(5,692,457)	(3,841,813)
b) social security contributions	(3,097,531)	(2,744,443)
c) post-employment benefits	(825,542)	(652,318)
d) pension expense	-	-
e) accruals to provision for post-employment benefits	-	-
f) accruals to provision for pension fund and similar items	-	-
- to defined-contribution plans	-	-
- to defined-benefit plans	-	-
g) payments to complementary external pension funds	-	-
- to defined-contribution plans	-	-
- to defined-benefit plans	-	-
h) other expenses	(844,357)	(1,007,728)
2. Other active personnel	(105,881)	(170,153)
3. Directors and statutory auditors	(690,126)	(681,109)
4. Personnel entering retirement	-	-
5. Recovery of expense for employees seconded to other companies	(19,675)	(25,760)
6. Reimbursement of expense for employees seconded to the company	115,868	99,765
Total	**(21,354,617)**	**(19,054,319)**

9.2 Average number of employees by category

	Totale 31 12 2024	Totale 31 12 2023
Executives	21	21
Managers	61	59
Other employees	65	59
Total	**147**	**139**

9.3 Breakdown of "Other administrative expenses"

	Total to 31 12 2024	Total to 31 12 2023
Fees to external consultants	(1,167,702)	(865,983)
Expenses for listing on Euronext Growth Milan	-	-
Intercompany agreements	(100,000)	(100,000)
Indirect taxes and duties	(83,661)	(89,733)
Rental of premises and associated expenses	(130,000)	(132,762)
Cleaning of premises	(45,000)	(46,633)
Energy costs	(91,096)	(86,942)
Telephone expenses	(33,389)	(40,917)
Insurance premiums	(54,697)	(35,330)
Office supplies	(46,329)	(47,762)
Subscriptions, books and magazines	(17,947)	(17,195)
Client entertainment expenses and gifts of over € 50	(690,744)	(621,213)
Travel, hotel and restaurant	(196,636)	(128,834)
Advertising and publishing expenses	(200,482)	(36,863)
Contributions to trade associations	(260,152)	(293,746)
Furniture, plant and system maintenance	(111,545)	(119,717)
Information services	(3,257,378)	(2,563,411)
Expenses for access to the market	(2,388,249)	(3,351,695)
Other hardware and software expenses	(652,720)	(624,533)
Others	(63,309)	(63,612)
Total	**(9,591,036)**	**(9,266,880)**

Section 11 – Depreciation and net impairment losses on property and equipment – Item 160

11.1 Breakdown of "Depreciation and net impairment losses on property and equipment"

	Depreciation (a)	Impairment losses (b)	Reversals of impairment losses (c)	Net loss (a-b+c)	Net loss
				31 12 2024	31 12 2023
1 Used in operations	(857,535)	-	-	(857,535)	(937,979)
- Proprietary	(126,369)	-	-	(126,369)	(226,003)
- Right-of-use assets	(731,166)	-	-	(731,166)	(711,976)
2 Held for investment	-	-	-	-	-
- Proprietary	-	-	-	-	-
- Right-of-use assets	-	-	-	-	-
Total	**(857,535)**	**-**	**-**	**(857,535)**	**(937,979)**

The value of property and equipment is depreciated to reflect its effective technical and economic deterioration.

No impairment of proprietary assets entered in the balance sheet has been necessary given the fact that no impairment indicators have been identified.

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Section 12 – Amortisation and net impairment losses on intangible assets – Item 170

12.1 Breakdown of "Amortisation and net impairment losses on intangible assets"

	Amortisation (a)	Impairment losses (b)	Reversals of impairment losses (c)	Net result (a-b+c)	Net result
				31 12 2024	31 12 2023
1. Goodwill	-	-	-	-	-
2. Intangible assets	(121,868)	-	-	(121,868)	(113,447)
2.1 Proprietary	(121,868)	-	-	(121,868)	(113,447)
- Used in operations	-	-	-	-	-
- Others	(121,868)	-	-	(121,868)	(113,447)
2.2 Acquired through finance lease	-	-	-	-	-
Total	**(121,868)**	**-**	**-**	**(121,868)**	**(113,447)**

The amount of intangible assets is amortised to reflect its effective technical and economic deterioration.

No impairment of proprietary assets entered in the balance sheet has been necessary given the fact that no impairment indicators have been identified pursuant to IAS 36.

Section 13 – Other operating income and expense – Item 180

13.1 Breakdown of "Other operating income and expense"

OTHER INCOME

Other income	Total 31 12 2024	Total 31 12 2023
Other revenues	252,043	260,314
Total	**252,043**	**260,314**

OTHER EXPENSE

Other expense	Total 31 12 2024	Total 31 12 2023
Bank fees and charges	(177,719)	(242,505)
Other	(203,527)	(96,660)
Total	**(381,247)**	**(339,165)**

Section 18 – Tax on income from continuing operations – Item 250

18.1 Breakdown of "Tax on income from continuing operations"

	Total 31 12 2024			Total 31 12 2023		
	IRES	IRAP	Others	IRES	IRAP	Others
1. Current taxes (-)	(2,376,605)	-	-	(1,075,094)	-	-
2. Changes in current taxes from previous years (+/-)	-	-	-	4,040	3,358	-
3. Decrease in current taxes for the year (+)	-	-	-	-	-	-
3. ii) Decrease in current taxes for the year due to tax assets in accordance with law 214/2011 (+)	-	- -	- -	- -	- -	- -
4. Changes in deferred tax assets (+/-)	(214,779)	-	-	(105,126)	-	-
5. Changes in deferred tax liabilities (+/-)	-	-	-	-	-	-
	(2,591,384)	**-**	**-**	**(1,176,180)**	**3,358**	**-**
Income taxes for the year (-) (-1+/-2+3+3.ii+/-4+/-5)	**(2,591,384)**			**(1,172,822)**		

18.2 Reconciliation between theoretical and actual taxation

	31 12 2024	31 12 2023
(A) Pre-tax profit (loss) from continuing operations	8,348,244	3,759,464
(B) Pre-tax profit (loss) from non-current assets held for sale	-	-
(A+B) Pre-tax profit (loss)	**8,348,244**	**3,759,464**
Current IRES tax rate (%)	24.0%	24.0%
Theoretical taxation	**(2,003,579)**	**(902,271)**
Regional business tax (IRAP)	-	-
Permanent differences	(587,805)	(277,949)
Impairment losses/reversals of impairment losses on deferred tax assets and previously unrecognised deferred tax assets	-	-
Change in current taxes for previous years	-	7,398
Other	-	-
Income tax for the year	**(2,591,384)**	**(1,172,822)**
of which:		
Tax on income from continuing operations	(2,591,384)	(1,172,822)
Tax on income from non-current assets held for sale	-	-

Part D

Other information

Section 1 - Details of operations

Proprietary trading

A.1 PROPRIETARY TRADING

	Transactions with group counterparties	Transactions with other counterparties
A - Acquisitions in the year	**-**	**1,162,963,577**
B - Sales in the year	**-**	**824,805,451**

B. Execution of customer orders

B.1 EXECUTION OF CUSTOMER ORDERS

	Transactions with group counterparties	Transactions with other counterparties
A - Acquisitions in the year	**-**	**12,821,813,817**
A1. Debt securities	-	3,933,142,867
A2. Equity securities	-	6,113,956,712
A3. Stakes in UCITs	-	2,173,111,252
A4. Derivative instruments	-	601,602,986
- financial derivatives	-	601,602,986
- credit derivatives	-	-
B - Sales in the year	**-**	**11,100,400,361**
B1. Debt securities	-	2,867,941,402
B2. Equity securities	-	5,158,287,713
B3. Stakes in UCITs	-	2,341,244,663
B4. Derivative instruments	-	732,926,583
- financial derivatives	-	732,926,583
- credit derivatives	-	-

C. Portfolio management

C.1 OVERALL VALUE OF PORTFOLIO MANAGEMENT

	31 12 2024		31 12 2023	
	Proprietary	For third parties	Proprietary	For third parties
1. Debt securities	360,615	1,818,930	283,453	1,960,610
of which government securities	*105,204*	-	*109,369*	-
2. Equity securities	99,179	46,058,577	125,840	61,292,396
3. Stakes in UCITs	352,531	-	103,676	-
4. Derivative instruments	143,938	-	30,885	213,900
- financial derivatives	143,938	-	30,885	213,900
- credit derivatives	-	-	-	-
5. Other assets	-	-	-	-
6. Liabilities	-	-	-	-
Total for managed portfolios	**956,263**	**47,877,507**	**543,854**	**63,466,906**

C.2 PROPRIETARY AND THIRD-PARTY PORTFOLIO MANAGEMENT: ACTIVITY DURING THE YEAR

	Countervalue		
	Proprietary management	Management for third parties	Transactions with the parent
A. Proprietary management	**5,344,374**	**-**	**-**
A.1 Acquisitions in the year	2,075,806	-	-
A.2 Sales in the year	3,268,568	-	-
B. Management for third parties	**-**	**126,473,916**	**-**
B.1 Acquisitions in the year	-	54,631,511	-
B.2 Sales in the year	-	71,842,405	-

C.3 PROPRIETARY MANAGEMENT: NET INFLOWS AND NUMBER OF CONTRACTS

	Total to 31 12 2024	Total to 31 12 2023
Inflows in the year	380,000	100,000
Outflows in the year	-	-
Number of contracts	1	1

D. Placements

D.1 PLACEMENTS WITH OR WITHOUT GUARANTEE

Countervalue	Total to 31 12 2024	Total to 31 12 2023
1. Securities placed with guarantee		
1.1 Structured securities	-	-
- for transactions carried out by group companies	-	-
- for other transactions	-	-
1.2 Other securities	-	-
- for transactions carried out by group companies	-	-
- for other transactions	-	-
Total securities placed with guarantee (A)	**-**	**-**
2. Securities placed without guarantee		
2.1 Structured securities	-	-
- for transactions carried out by group companies	-	-
- for other transactions	-	-
2.2 Other securities	65,524,649	4,942,500
- for transactions carried out by group companies	-	-
- for other transactions	65,524,649	4,942,500
Total securities placed without guarantee (B)	**65,524,649**	**4,942,500**
Total securities placed (A+B)	**65,524,649**	**4,942,500**

E. Receipt and transmission of orders

E.1 RECEIPT AND TRANSMISSION OF ORDERS

	Transactions with group counterparties	Transactions with other counterparties
A - Purchase orders brokered during the year		**2,945,850,245**
A1. Debt securities	-	1,555,556,451
A2. Equity securities	-	998,087,845
A3. Stakes in UCITs	-	385,354,762
A4. Derivative instruments	-	6,851,187
- financial derivatives	-	6,851,187
- credit derivatives	-	-
A5. Other	-	-
B - Sale orders brokered during the year		**3,293,975,724**
B1. Debt securities	-	1,608,996,278
B2. Equity securities	-	1,270,832,368
B3. Stakes in UCITs	-	407,712,983
B4. Derivative instruments	-	6,434,095
- financial derivatives	-	6,434,095
- credit derivatives	-	-
B5. Other	-	-

F. Consultancy activities

	31 12 2024	31 12 2023
Corporate consultancy	7,918,644	9,175,577
Online institutional financial analysis and reports	1,583,063	837,064
Online retail financial analysis and reports	181,301	180,548
Instrumental consultancy	2,002,397	2,053,270
Management and other consultancy	3,945,913	2,304,872
Total	**15,631,318**	**14,551,331**

H. Custody and administration of financial instruments

	31 12 2024	31 12 2023
- Third-party securities with third parties	1,269,292,315	1,092,235,398
- Proprietary portfolio securities with third parties	26,818,155	26,867,827
- of which		
government securities	9,949,600	3,618,202
bonds	8,336,332	1,293,107
shares and stakes	8,174,125	21,635,134
others	358,098	321,384

L. Commitments

The company has no commitments.

Section 2 - Information on risks and associated hedging policies

Introduction

The company has a risk management function that applies second-degree checks on business operations and an internal auditing function that applies third-degree checks. These functions operate independently of one another and report to the company's Board of Directors. The statutory auditors examine their work on at least a quarterly basis.

As a brokerage firm, the main risks encountered by the company are position risk on the proprietary trading portfolio and counterpart risk.

Position risk arises from the fact that the SIM manages part of its equity capital on its own behalf, and has been a market maker on IDEM since 2013. This has brought about increased risk in derivative positions and a moderate increase in the overall risk inherent in the trading portfolio.

Credit and counterpart risk, on the other hand, derives from the company's core business of brokerage on Italian markets, primarily the equity market (Euronext Milan), and the counterpart risk that the company takes on directly after trading OTC derivatives with some of its customers.

The Risk Management function monitors on a daily basis the risk situation of the trading portfolio and the exposure to counterparty risk towards its clients or other counterparties with which it operates, periodically reporting to the Board of Directors any breach of the limits in place. For investment risks, these breaches can be authorised, following disclosure of the Risk, by the Chief Executive Officer or the Head of the Global Markets and Proprietary Trading, each within the boundaries of the mandate granted by the Board of Directors itself. For breaches of limits on the maximum exposure to clients and/ or counterparties, authorisation can be provided by the Head of the Equity Sales Force, the Head of Trading or the Head of the Securities Operating Area.

Appropriate internal procedures have been set up to outline the risk limits in force and the specific powers assigned to the Board of Directors or individual managers.

2.1 Market Risk

2.1.1 Interest Rate Risk

Qualitative information

1. General aspects

Under the general heading of market risk, we define interest rate risk as the risk of incurring losses due to adverse changes in interest rates.

Intermonte's exposure to such risk relates entirely to the bond and equity derivatives components in the proprietary portfolio.

Most of the bonds in the portfolio are government debt securities (mainly deposited with Euronext Clearing) and corporate debt securities (senior or subordinate), that are not hedged for interest rate risk.

The derivative component is largely made up of options and futures on individual stocks, with maturity of up to 5 years, for which interest rate risk is hedged through futures on government securities.

Management of this risk is simplified somewhat by the absence of interest rate derivatives and volatility derivatives (such as caps, floors, swaptions, etc.) from the portfolio.

In order to finance operations in the proprietary and trading portfolios, Intermonte uses both its own funds and third-party capital, turning to bank lending via its current account and the security lending market.

Financing operations using liquidity from such instruments are always short-term (within 1 month for securities lending) and at a variable rate.

Quantitative information

1. Trading portfolio: distribution by residual maturity (date of repricing) of financial assets and liabilities

Type	On demand	Up to 3 months	From over 3 months to 6 months	From over 6 months to 1 year	From over 1 year to 5 years	From over 5 years to 10 years	Over 10 years	Unspecified maturity
1. Assets	**-**	**11,731,487**	**45,847,903**	**2,463,023**	**791,149**	**403,628**	**4,023**	**1,810,213**
1.1 Debt securities	-	11,731,487	1,206,816	2,463,023	791,149	403,628	4,023	1,810,213
1.2 Others	-	-	44,641,087	-	-	-	-	-
2. Liabilities	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to banks, other financial backers and customers	-	-	-	-	-	-	-	-
2.2 Debt securities	-	-	-	-	-	-	-	-
2.3 Other liabilities	-	-	-	-	-	-	-	-
3. Financial derivatives								
3.1 With underlying variable								
- Options								
Long position	-	24,160,363	55,067,654	15,653,465	2,672	-	-	-
Short position	-	23,281,190	69,545,438	1,952,667	104,859	-	-	-
- Others								
Long position	-	12,079,050	-	-	11,983,925	-	-	-
Short position	-	23,967,851	95,125	-	-	-	-	-
3.2 Without underlying variable								
- Options								
Long position	32,894,113	9,466,153	3,951,068	494,845	31,622	-	-	-
Short position	13,943,688	23,345,913	2,270,817	7,250,034	27,349	-	-	-
- Others								
Long position	-	57,739,086	36,000,000	-	-	-	-	-
Short position	21,739,086	72,000,000	-	-	-	-	-	-

2. Investment portfolio: distribution by residual maturity (date of repricing) of other assets and liabilities

Item/residual duration	On demand	Up to 3 months	From over 3 months to 6 months	From over 6 months to 1 year	From over 1 year to 5 years	From over 5 years to 10 years	Over 10 years	Unspecified maturity
1. Assets	**69,884,327**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
1.1 Debt securities	-	-	-	-	-	-	-	-
1.2 Other assets	69,884,327	-	-	-	-	-	-	-
2. Liabilities	**44,393,391**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
2.1 Due to banks, other financial backers and customers	44,393,391	-	-	-	-	-	-	-
2.2 Debt securities	-	-	-	-	-	-	-	-
2.3 Other liabilities	-	-	-	-	-	-	-	-
3. Derivatives								
3.1 Long positions	-	-	-	-	-	-	-	-
3.2 Short positions	-	-	-	-	-	-	-	-

3. Models and other methods used to measure and manage interest rate risk

Management of interest rate risk is governed by a dedicated internal process entitled "Portfolio Risk Management" approved by the Board of Directors. This process defines the methodology to follow and limits to be observed in relation to all market risks related to own-account investment activity.

The main analysis of interest rate risk is carried out through the use of specific indicators relating to the composition of the portfolio (limits on ratings, on types of government or corporate bonds, on subordinate debt, on overall net and gross bond exposure, on cash absorption and on duration), and through assessment of the maximum potential loss (Value at Risk - VAR).

VAR is calculated on a one-day time horizon based on a 99% confidence level, using external software that has been internally validated by the Risk Management function.

Daily monitoring of compliance with limits is carried out by Risk Management, which periodically reports its findings to the BoD.

2.1.2 Price risk

Qualitative Information

1. GENERAL ASPECTS

Under the general heading of market risk, we define price risk as the risk of incurring losses due to adverse changes and volatility in equity markets.

The Intermonte group's exposure to price risk is entirely connected to the regulated trading portfolio. As noted previously, the absence of structured products within the portfolio greatly simplifies identification and monitoring of price risk.

Exposure to individual stocks or equity indices through derivatives are always delta-hedged.

The company mainly invests in:

- Equities listed on Borsa Italiana markets;
- Futures on indices and single stocks listed with Borsa Italiana;
- Options on indices and single stocks listed with Borsa Italiana;
- Warrants and covered warrants on stocks and indices listed with Borsa Italiana;
- Listed rights;
- Convertible bonds;
- Dividend futures listed on Borsa Italiana;
- Futures on the main European and global stock market indices.

Nevertheless, the company may also invest in instruments other than those outlined above.

Quantitative information

1. Equity securities and UCITs

	Trading portfolio			Other		
	Carrying amount			Carrying amount		
Equity securities/ UCITs	**Level 1**	**Level 2**	**Level 3**	**Level 1**	**Level 2**	**Level 3**
1. Equity securities	**44,634,183**	**-**	**51**	**-**	**-**	**-**
2. UCITs	**6,853**	**-**	**-**	**-**	**-**	**-**
2.1 Italian	6,853	-	-	-	-	-
- open harmonised	-	-	-	-	-	-
- open non-harmonised	-	-	-	-	-	-
- closed	6,853	-	-	-	-	-
- reserved	-	-	-	-	-	-
- speculative	-	-	-	-	-	-
2.2 other EU	-	-	-	-	-	-
- harmonised	-	-	-	-	-	-
- open non-harmonised	-	-	-	-	-	-
- closed non-harmonised	-	-	-	-	-	-
2.3 non-EU	-	-	-	-	-	-
- open	-	-	-	-	-	-
- closed	-	-	-	-	-	-
Total	**44,641,036**	**-**	**51**	**-**	**-**	**-**

2. Models and other methods used to analyse price risk

Price risk is governed by the same internal process employed for the management of interest rate risk ("Portfolio Risk Management").

The VAR is calculated separately on the proprietary equity portfolios (M.M.C.D. Algo equity and M.M.C.D Derivatives) and on the bond portfolio (Dir. Trad. Fixed Income), as well as on the overall Intermonte proprietary portfolio (Intermonte Total). The VAR represents the maximum potential loss over a pre-determined time horizon based on a defined confidence level.

Intermonte uses a VAR based on a 99% confidence level and a 1-day time horizon. This is calculated and issued daily by the Risk Manager using the average of the two methodologies available on the software used: the "Montecarlo" and "Historical" methods. Checks carried out by the Risk Management function confirm that the method used guarantees a conservative approach.

	VaR (1D) - 2023		
Portfolio	**Average**	**Min**	**Max**
Dir. Trad. Fixed Income	42,253	321	140,725
M.M.C.D. Algo Equity	24,650	1,794	270,468
M.M.C.D. Derivatives	240,274	60,285	537,455
INTERMONTE TOTAL	**252,349**	**115,476**	**550,197**

In addition to the overall risk, the specific risk relating to each individual security (or where possible each underlying variable) is also analysed. The daily report issued by Risk Management includes indicators and checks with limits for net and gross equity exposure, for the present value of convertible bonds, for absorption of liquidity and risk measures (cash gamma 1%, vega and rho), both at portfolio level and for the component parts.

The Risk Management function monitors compliance with limits daily, communicating the current position to top management on a regular basis.

The definition and attribution of limits to proprietary investments is the responsibility of the Board of Directors. In specific circumstances where allocated limits are temporarily exceeded, the Chief Executive Officer and/ or the Head of Global Markets can grant extraordinary authorisation for this exposure, subject to disclosure and ratification at the next scheduled meeting of the Board of Directors.

2.1.3 Currency risk

Qualitative Information

1. GENERAL ASPECTS

Exposure to currency risk is limited. It mainly derives from the company's activities as a broker in regulated foreign markets, which necessitates minimum levels of liquidity in foreign currencies being held in its current accounts. To a lesser extent, it can derive from the proprietary portfolio, which may invest in instruments (bonds and equity) denominated in currencies other than the euro.

Nevertheless, currency risk on equity exposure will always be hedged through futures contracts. The activities in question generate commissions and margins in foreign currencies, which are deposited into the company's accounts in settlement houses.

All Intermonte SIM's positions in foreign currencies are concentrated in the Treasury portfolio, which manages currency risk for all transactions, whether proprietary or on behalf of third parties.

Using online banking instruments, in concert with internal accounting policies, the Treasury continuously monitors the balance of the various foreign currency accounts in real time. Recourse to foreign exchange transactions (spot transactions, forwards and swaps) to convert these amounts into euros provides effective mitigation of currency risk.

Quantitative information

1. Distribution of financial assets and liabilities by currency

Items	Currency					
	US dollar	GB pound	Japanese yen	Canadian dollar	Swiss franc	Other
1. Financial assets	3,332	0	-	-	-	-
1.1 Debt securities	3,332	-	-	-	-	-
1.2 Equity securities	-	0	-	-	-	-
1.3 Other financial assets	-	-	-	-	-	-
2. Other assets	**663,512**	**282,903**	**196,937**	**79,544**	**283,273**	**1,028,710**
3. Liabilities	**24,154**	**42**	**-**	**-**	**15**	**408**
3.1 Due to banks, other financial backers and customers	24,154	42	-	-	15	408
3.2 Debt securities	-	-	-	-	-	-
3.3 Subordinate liabilities	-	-	-	-	-	-
3.4 Other financial liabilities	-	-	-	-	-	-
4. Other liabilities	**-**	**-**	**-**	**-**	**-**	**-**
5. Financial derivatives						
- Options						
Long positions	-	-	-	-	-	-
Short positions	-	-	-	-	-	-
- Others						
Long positions	3,118,149	-	372,723	-	-	-
Short positions	-	-	-	-	-	-
Total assets	**3,784,994**	**282,903**	**569,660**	**79,544**	**283,273**	**1,028,710**
Total liabilities	**24,154**	**42**	**-**	**-**	**15**	**408**
Difference (+/−)	**3,760,839**	**282,862**	**569,660**	**79,544**	**283,258**	**1,028,302**

2.1.4 Derivative transactions

Intermonte SIM uses derivative instruments either as part of directional investment strategies or in order to hedge positions, both on its own behalf and for its customers.

During the year, the company's trading on the IDEM market on behalf of third parties accounted for c.0.01% of index mini-futures (10th place), 0.16% of index options (11th place), 1.12% of isoalfa options (9th place), and 0.001% of stock futures (9th place).

On a proprietary basis, during 2024 Intermonte SIM traded c.0.11% of index futures (8th place), 0.001% of index mini-futures (11th place), 3.48% of all index options traded (3rd place), 5.76% of isoalfa options (1st place), and 12.58% of stock futures (2nd place).

The rankings are based on the number of derivative contracts traded by members of Assosim.

Since March 2013, the company’s equity derivatives desk has also fulfilled the role of market maker. As at 31st December 2024 the desk was market maker for 55 Italian stocks (including leading companies on the FTSEMIB index), on both futures and options, and on the FTSEMIB index itself. The desk's activity in derivatives is always delta-hedged, using positions in stock futures or directly in the underlying equity securities. Consequently, position risks associated with derivative instruments are always kept at moderate levels. The Risk Management function monitors risk measures generated by derivatives trading, and gamma, vega and rho risk in particular, on a daily basis.

Gianfilippo Minetti

2.2 Operating risks

Qualitative Information

1. GENERAL ASPECTS

With Regulation (EU) 2019/ 2033 (IFR), which came into force on 30 June 2021, replacing the previous CRR on matters of prudential supervision for investment firms, operating risk is no longer calculated in proportion to total banking income, but rather is subdivided into individual requirements, known as “k-factors”, specific to each MiFID service offered by the group’s investment firm. Nevertheless, the company has also developed an internal model for the management and monitoring of these risk categories.

The Company’s approach brings all key sources of quantitative and qualitative information together in an organic and consistent manner. The quantitative component entails collecting, analysing and configuring statistical models of historical data on losses.

The qualitative component, on the other hand, is based on analysing the risk profile in each of the Company’s areas of operation (Self Risk Assessment). This process involves the company acting in various phases: identifying the processes and associated risks; assessment of these risks by the process owners; outlining possible plans to mitigate those risks, as well as areas for improvement; agreeing priorities with central functions as well as the technical and financial feasibility of the actions identified. This is all backed up by Monte Carlo simulations to estimate risk probability.

The adopted structure envisages the assignment of specific company representatives to each individual risk assessment area. Middle and top management are also involved in the qualitative risk profile evaluation and in outlining mitigation strategies.

The risk management function is responsible for coordinating this process.

Quantitative information

Regarding Risk-To-Client K-factors, as at 31st December 2024, the group allocated Eu35,769 in capital against Assets under Management (AuM), Eu157,509 against Client Money Held (CMH), Eu497,992 against Assets Safeguarded and Administered (ASA) and Eu96,490 against Client Orders Handled (COH).

Regarding Risk-To-Firm K-factors, as at 31st December 2024, the group allocated Eu174,577 in capital against Daily Trading Flow (DTF), i.e. against trading on own account (cash and derivatives).

With regard to the internally-developed operating risk identification model, the provision for capital allocated against operational risk for the year comes to Eu2.7mn, which also includes other operating risks (such as legal risk, IT risk, anti-money laundering risk, etc.) not covered by prudential regulations.

2.3 Credit risk

Qualitative Information

1. GENERAL ASPECTS

Given that it operates predominantly as a broker on the equity market, and its core business does not include the issue of credit, Intermonte SIM is not subject to the "traditional credit risk" typical of banks:

Intermonte SIM functions as a direct intermediary on regulated securities markets in Italy and operates on the main equity markets abroad through other brokers. The company's proprietary portfolio includes bonds, common stock and derivatives of indices, stocks, interest rates, exchange rates and commodities, both listed and over the counter. Liquidity is managed by the Treasury, which makes use of monetary instruments such as time deposits, credit lines and repurchase agreements.

Intermonte's credit and counterparty risk is therefore essentially limited to: existing loans and receivables with other institutional counterparties; settlement risk (typically for two days) in trading on behalf of third parties; OTC derivative contracts; transactions on listed derivative markets (for which a daily margins payment to the clearing house is required, a requirement that the customer may have difficulty fulfilling);transactions involving the borrowing and lending of securities. The company has adopted a dedicated internal procedure ("Taking on Counterparty and Credit Risk") which describes the process for setting maximum exposure limits for new counterparties/clients and for continuous monitoring of credit exposure towards each counterparty/client.

Quantitative information

1. MAJOR RISKS

During the year the Company only recorded a small number of significant positions that could potentially be considered to constitute a "major risk" (i.e. above 10% of own CET1). The main exposure has always been to the clearing house, Euronext Clearing, and is comprised of margins and default funds deposited in order for the company to invest on its own behalf and on behalf of its customers. Other significant positions have arisen on occasion with leading Italian or European banks, mainly deriving from the company's excess liquidity being deposited in current accounts or transactions in OTC derivatives. As a consequence of the entry into force of the new IFR, investment firms are no longer obliged to report major risks, but merely to indicate those positions for which additional capital coverage must be held due to concentration risk. It is also worth noting that in the new IFR, only trading portfolio transactions are counted for exposure purposes; exposures deriving from the fixed asset portfolio (bank current accounts, other equity investments, etc.) are exempt.

In addition to audits to comply with regulatory criteria, the Risk Manager also checks, on a daily basis, the concentration of exposure to issuers in the proprietary portfolio and to its own counterparties/customers. This exposure is calculated using prudent methodology and formally reported to top management on a daily basis.

2. Classification of exposures based on external and internal ratings

Intermonte uses external credit rating agency S&P to assign ratings to its counterparts.

In terms of Financial assets measured at amortised cost, it is worth noting the exposure to Euronext Clearing in Class 1. The remaining exposures are to parties without a credit rating (primarily regulated brokers, asset management companies, investment funds, or other companies) or to banks.

Exposure	External rating class						No rating	Total
	Class 1	Class 2	Class 3	Class 4	Class 5	Class 6		
1. Financial assets measured at amortised cost	***14,474,241***	***8,747,202***	***29,802,943***	***-***	***-***	***-***	***7,099,501***	***60,123,886***
- Stage 1	14,474,241	8,747,202	29,802,943	-	-	-	7,099,501	60,123,886
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired loans	-	-	-	-	-	-	-	-
2. Financial assets measured at fair value through profit or loss	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired loans								
3. Financial assets held for sale	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired loans	-	-	-	-	-	-	-	-
Total financial assets								
4. Commitments to disburse funds and financial guarantees issued	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
- Stage 1	-	-	-	-	-	-	-	-
- Stage 2	-	-	-	-	-	-	-	-
- Stage 3	-	-	-	-	-	-	-	-
- Purchased or originated credit-impaired loans	-	-	-	-	-	-	-	-
5. Others	-	-	9,580,070	-	-	-	-	**9,580,070**
Total commitments to disburse funds and financial guarantees issued	-	-	-	-	-	-	-	-
Total	**14,474,241**	**8,747,202**	**39,383,012**	**-**	**-**	**-**	**7,099,501**	**69,703,956**

3. Models and other methods used to measure and manage credit risk

With regard to counterparty risk, for all trading conducted on the Euronext Milan market – the company's core business – "market side" counterparty risk is covered by the Central Counterparty. Therefore, the company's actual exposure to counterparty risk is limited to that which arises from the "client side", from over-the-counter transactions and from all bond market transactions.

The company has implemented an initial risk monitoring system that uses a credit assessment procedure to verify compliance with the maximum exposure defined for each client and market counterparty in real time.

A second level audit is completed by the company's Risk Management function, which uses a dedicated application to measure the risk of each individual counterpart retrospectively, using a similar calculation methodology to the one established by the Italian Stock Exchange's clearing house (CC&G). This methodology determines initial margin requirements and variation margins to be applied to each client as a further objective factor in counterpart risk assessment. Precise details of the method adopted are summarised in the internal "Taking on Counterparty and Credit Risk" procedure.

Transactions such as securities lending and repurchase agreements are also subject to this kind of risk; the method used to calculate associated risks is analogous to the method used for securities trading.

2.4 Liquidity risk

Qualitative Information

GENERAL ASPECTS, OPERATIONAL PROCESSES AND MODELS USED FOR MEASUREMENT

Liquidity risk is defined as the possibility that the company may be unable to meet payment commitments, either due to an inability to gather resources on the market (funding liquidity risk) or difficulty in mobilising assets without suffering huge capital losses (market liquidity risk). As stock brokerage is the group's primary area of activity, its main daily inflows and outflows of liquidity are exclusively related to the margins that it must deposit at Euronext Clearing to cover the transactions of its clients and its investment portfolio.

The company's current liquidity position is monitored through daily reports produced by the various departments involved, in particular Treasury and Risk Management. The risk management function uses statistical analysis to forecast and monitor the days in which there is the possibility of high outflows of liquidity (e.g. value dates subsequent to the technical maturity of options). In order to prevent and mitigate liquidity risk more effectively, the company has also procured various lines of credit from leading banks in order to be in a position to meet the operational liquidity demands of its brokerage and trading activities in a timely manner. While it has an agreement with MPS Group that allows it to retain credit lines that are more than adequate, Intermonte SIM has also diversified its funding sources in order to manage liquidity risk more effectively, obtaining lines of financing from other mid-sized Italian banks, demonstrating the group's strong creditworthiness.

The risk management function calculates High Quality Liquidity Assets (HQLA) on a daily basis, verifying compliance with the capital requirements under IFR.

The Risk Management function monitors financial flows and the company's liquidity on a daily basis.

During the year there were no instances of insufficient liquidity to meet payment commitments, the company's capital has provided adequate liquidity to guarantee the company's ongoing operations.

Quantitative information

1. Distribution of financial assets and liabilities by residual contractual maturity - all amounts in euro

Type/Timescale	On demand	From over 1 day to 7 days	From over 7 days to 15 days	From over 15 days to 1 month	From over 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 1 year	From over 1 year to 3 years	From over 3 years to 5 years	Over 5 years	Unspecified maturity
On-statement of financial position assets	**60,311,110**	**2,907,335**	**4,045,619**	**1,660,390**	**13,127,464**	**221,319**	**4,125**	**135,830**	**682,000**	**405,000**	**53,045,997**
A.1 Government securities	-	-	-	-	10,000,000	27,285	-	8,550	-	-	5,072,000
A.2 Other debt securities	-	-	-	684,875	1,815,625	194,034	4,125	127,280	682,000	405,000	3,000,000
A.3 Loans	60,304,257	2,907,335	4,045,619	975,515	1,311,839	-	-	-	-	-	339,763
A.4 Other assets	6,853	-	-	-	-	-	-	-	-	-	44,634,234
On-statement of financial position liabilities	**8,094,775**	**5,472,611**	**11,649,703**	**9,623,315**	**9,381,743**	**-**	**-**	**-**	**-**	**-**	**171,244**
B.1 Due to:	8,094,775	5,472,611	11,649,703	9,623,315	9,381,743	-	-	-	-	-	171,244
- Banks	3,767,659	5,472,611	11,649,703	9,623,315	9,381,743	-	-	-	-	-	171,244
- Other financial backers	3,092,097	-	-	-	-	-	-	-	-	-	-
- Customers	1,235,018	-	-	-	-	-	-	-	-	-	-
B.2 Debt securities	-	-	-	-	-	-	-	-	-	-	-
B.3 Other liabilities	-	-	-	-	-	-	-	-	-	-	-
Off-statement of financial position transactions											
C.1 Financial derivatives with exchange of capital:											
Long positions	-	-	-	5,481,333	31,521,112	25,084,543	15,653,465	11,214,608	1,534,864	-	29,983,111
Short positions	-	-	-	8,906,802	39,867,987	4,644,395	1,952,667	104,859	-	-	64,996,326
C.2 Financial derivatives without exchange of capital											
Positive differentials	1,387,495	-	-	-	-	-	-	-	-	-	-
Negative differentials	220,966	-	-	-	-	-	-	-	-	-	-
C.3 Financing to be received											
Long positions	-	-	-	-	-	-	-	-	-	-	-
Short positions	-	-	-	-	-	-	-	-	-	-	-

Section 3 - Disclosure on equity

3.1 Equity

3.1.1 Qualitative Information

The Company's assets are mainly composed of the share capital, fully subscribed and paid up. Share premium reserves and earnings reserves (legal reserve) contribute to its composition, albeit to a lesser extent. The company also issued a subordinated loan equal to a nominal amount of Euro 5 million during 2021.

3.1.2 Quantitative information

3.1.2.1 Breakdown of equity

	Total as at 31/12/2024	Total as at 31/12/2023
1. Share capital	45,950,000	45,950,000
2. Share premium reserve	10,005,469	10,005,469
3. Reserves	8,467,033	8,693,922
- earnings	13,074,887	13,074,134
a) legal	9,190,000	9,190,000
b) statutory	-	-
c) treasury shares	-	-
d) others	3,884,887	3,884,134
- others	(4,607,854)	(4,380,212)
4. (Treasury shares)	-	-
5. Revaluation reserves	-	-
- Available-for-sale financial assets	-	-
- Property and equipment	-	-
- Intangible fixed assets	-	-
- Hedges of investments in foreign operations	-	-
- Cash flow hedges	-	-
- Exchange rate differences	-	-
- Non-current assets held for sale and disposal groups	-	-
- Specific legislation on revaluation	-	-
- Actuarial profit/loss on defined-benefit pension plans	-	-
- Share of fair value reserves of equity-accounted investees	-	-
6. Equity instruments	5,000,000	5,000,000
7. Profit (Loss) for the financial year	8,348,244	3,759,464
Total	**77,770,745**	**73,408,854**

Cupido Nanetti

3.2 Own Funds and supervisory ratios

3.2.1 Own funds

3.2.1.1 Qualitative Information

Intermonte SIM holds €5 million of its own financial instruments calculated as Additional Tier 1 (AT1) capital, but does not include financial instruments calculated as Tier 2 (T2) capital.

The positive items in the CET1 are the share capital, at Eu45,950,000, the share premium reserve, which comes to Eu10,005,469 , and the reserves, for Eu8,391,348. The negative items to be subtracted are intangible assets and supervisory adjustments.

3.2.1.2 Quantitative information

	Total as at 31/12/2024	Total as at 31/12/2023
Own Funds (CET1 + AT1 + T2)	**69,174,650**	**69,308,102**
Tier 1 Capital (CET1 + AT1)	**69,174,650**	**69,308,102**
Common Equity Tier 1 Capital (CET1)	**64,174,650**	**64,308,102**
Fully paid-up equity instruments	**45,950,000**	**45,950,000**
Share premium	**10,005,469**	**10,005,469**
Other reserves	**8,391,348**	**8,618,237**
Adjustments to CET1 due to prudential filters	**(87,045)**	**(116,565)**
(-) TOTAL DEDUCTIONS FROM COMMON EQUITY TIER 1 CAPITAL (CET1)	**(85,121)**	**(149,039)**
(-) Own CET1 instruments	-	-
(-) Direct holdings of CET1 instruments	-	-
(-) Goodwill	-	-
(-) Other intangible assets	*(85,121)*	*(149,039)*
(-) Deferred tax assets that rely on future profitability excluding those arising from temporary differences net of related tax liabilities.	-	-
ADDITIONAL TIER 1 CAPITAL (AT1)	**5,000,000**	**5,000,000**
(-) TOTAL DEDUCTIONS FROM TIER 1 CAPITAL (AT1)	-	-
TIER 2 CAPITAL (T2)	**-**	**-**
(-) TOTAL DEDUCTIONS FROM TIER 2 CAPITAL (AT2)	-	-

3.2.2 Capital adequacy

3.2.2.1 Qualitative Information

With the aim of constantly complying with the capital ratios established by the Regulatory Authorities, internal procedures stipulate daily checks on capital absorption for each type of risk. Intermonte SIM's own funds are more than adequate for the type and volume of business it operates.

The K-factor requirement as at 31st December 2024 is comprised of: Euro 3,833,177 for market risk, Euro 1,037,631 for company-specific risk, Euro 787,760 for client risk.

As a result, the capital ratios are all significantly higher than the minimum regulatory requirements. Specifically, the Total Tier 1 *Capital Ratio and the* Own Funds Ratio *are both over 941%, well above the regulatory minimum requirements 75% and 100%. respectively.* The Common Equity Tier 1 Ratio is 873%, again well above the minimum regulatory requirement of 56%. In addition to regularly monitoring capital adequacy for risks covered by regulatory requirements, the company also uses internal methodologies to monitor and mitigate other risks, such as credit risk, AML risk, behavioural risk, reputational risk and IT risk.

3.2.2.2 Quantitative information

CAPITAL REQUIREMENTS	Total as at 31/12/2024	Total as at 31/12/2023
Total Own Funds Requirement (highest of 1, 2, and 3)	**7,348,175**	**7,612,541**
1) Permanent minimum capital requirement	1,000,000	1,000,000
2) Fixed overheads requirement	7,348,175	7,612,541
3) K-factor requirement	5,658,568	6,004,270
of which risk-to-client	*787,760*	*628,780*
of which risk-to-market	*3,833,177*	*3,323,029*
of which risk-to-firm	*1,037,631*	*2,052,461*

CAPITAL RATIOS	Total as at 31/12/2024	Total as at 31/12/2023
Common Equity Tier 1 (CET1) Capital Ratio	873%	845%
Tier 1 Capital Ratio	941%	910%
Total Capital Ratio	941%	910%

Minimum values requested pursuant to art. 9 of reg 2019/2033:

- CET1 ratio 56%;
- Tier 1 Capital ratio 75%;
- Own Funds ratio 100%.

Section 4 - Analysis of comprehensive income

Items	31 12 2024	31 12 2023
Profit (loss) for the year	**8,348,244**	**3,759,464**
Other income not transferred to the income statement	-	-
Equity securities designated at fair value through other comprehensive income:	-	-
a) changes in fair value	-	-
b) transfers to other equity items	-	-
Financial liabilities designated at fair value through profit and loss (changes in credit rating):	-	-
a) changes in fair value	-	-
b) transfers to other equity items	-	-
Hedging of equity securities designated at fair value through other comprehensive income: a) changes in fair value (hedged instrument) b) changes in fair value (hedging instrument)	-	-
Plant and equipment	-	-
Intangible assets	-	-
Defined benefit plans	-	-
Non-current assets held for sale and disposal groups	-	-
Share of fair value reserves of equity-accounted investees	-	-
Income tax related to other income not transferred to the income statement	-	-
Other income transferred to the income statement	-	-
Hedges of investments in foreign operations: a) changes in fair value b) transfers to profit or loss c) other changes	-	-
Translation differences: a) changes in fair value b) transfers to profit or loss c) other changes	-	-
Cash flow hedges: a) changes in fair value b) transfers to profit or loss c) other changes	-	-
of which: result of net positions	-	-
Hedging instruments (non-designated items):	-	-
a) changes in fair value b) transfers to profit or loss c) other changes	-	-
Financial assets (other than equity securities) measured at fair value through other comprehensive income: a) changes in fair value b) transfers to profit or loss - net impairments for credit risk - gain/loss on sale c) other changes	-	-
Non-current assets held for sale and disposal groups: a) changes in fair value b) transfers to profit or loss c) other changes	-	-
Share of fair value reserves of equity-accounted investees: a) changes in fair value b) transfers to profit or loss - impairment losses - gain/loss on sale c) other changes	-	-
Income tax related to other income transferred to the income statement	-	-
Total other comprehensive income after tax	-	-
Total comprehensive income (item 10 + item 190)	**8,348,244**	**3,759,464**
Total consolidated comprehensive income attributable to minority interests	-	-
Total consolidated comprehensive income attributable to the parent company	**8,348,244**	**3,759,464**

Section 5 - Related party transactions

Dealings with related parties, identified in accordance with the provisions in IAS 24, are part of the normal operations of the company and as a rule take place on financial terms equivalent to those on the market that are applicable to unrelated parties of like nature and degree of risk, i.e., in the absence of benchmarks, at conditions of verified reciprocal convenience bearing in mind the complexity of the circumstances, the peculiarities of the transaction, and the interests of the company.

During the year, no transactions of greater or lesser importance with related parties were carried out such as to significantly influence either the financial position or the profit or loss of Intermonte Sim.

In any event, transactions were not carried out that were atypical or unusual and/or at non-standard financial or contractual conditions for the type of related counterparty.

The IAS 24 definition of related parties includes persons or entities that:

a) directly, or indirectly through one or more intermediaries,
   i. control, are controlled by, or are under common control with, the reporting entity (including parents, subsidiaries, and fellow subsidiaries);
   ii. hold a stake in the reporting entity such as to be able to exercise significant influence over that entity; or
   iii. jointly control the reporting entity;
b) represent a subsidiary of the reporting entity
c) represent a joint venture in which the reporting entity is a participant;
d) are a member of key management personnel of the reporting entity or its parent
e) are a close family member of one of the persons referred to in points a) or d)
f) are an entity controlled by, under joint control by or subject to significant influence by one of the persons referred to in points d) or e), i.e., such persons that, directly or indirectly, hold a significant portion of voting rights; or
g) are a post-employment benefit plan for the employees of the reporting entity, or of any other entity related to the reporting entity.

5.1 Quantitative information on related-party transactions

Nature of item (Eu)	31 12 2024
Intercompany loans provided	2,450,000
Total receivables	275,126
Total receivables	**2,725,126**
Intercompany loans received	-
Total payables	(1,074,551)
Total payables	**(1,074,551)**
Revenues - Intercompany Services	15,000
Revenues - Recovery of expense for employees seconded to other companies	115,868
	260,126
Total revenues	**390,994**
Costs - Interest on loans	(82,907)
Costs - Reimbursement of expense for employees seconded to the company	(19,675)
Costs - Outsourcing services	(100,000)
Total costs	**(202,582)**

5.2 Information on the remuneration of executives with strategic responsibilities

Information is provided below on the remuneration of executives with strategic responsibilities and on transactions put in place with related parties, pursuant to IAS 24.

Total remuneration and other benefits and allowances in the financial year paid to directors, statutory auditors, and other executives with strategic responsibilities was Euro 3,575 thousand, as shown below:

	Total remuneration as of 31 12 2024
Directors	572,413
Executives	2,960,000
Statutory auditors	42,667

Section 6 – Disclosure on leasing

Qualitative information

The Company's leasing contract relates to its commercial premises.

A lease is defined as a contract that depends on the use of an identified asset and conveys the right to control the use of the asset for a period of time in exchange for consideration.

IFRS 16 applies to all transactions that involve the right to use an asset, regardless of the contractual form, i.e. whether it is classified as operating or financial, rent or hire. Leases with a lease term of 12 months or less, or where the underlying asset has a low value when new, are excluded from application of this principle.

IFRS 16 imposes initial recognition of a right-of-use asset (RoU) and a lease liability, representing the present value of future lease payments.

Upon initial application in 2019, in accordance with transitional provision C3, the Company opted to adopt the Modified B approach, which allows the recognition of the cumulative impact of the initial application of the principle at the date of initial application, without restating comparative figures in financial statements prior to the first time application of IFRS 16.

The Company has decided to avail itself of the practical expedients provided for in IFRS 16 in the event of adoption of the Modified approach, i.e. not to apply the provisions of the principle to leases with a term of less than 12 months from the date of initial application, booking such leases as short term leases. Finally, in line with the provisions of IFRS 16 paragraph 5, the Company has excluded recognition of RoU and Lease Liability for leases in which the underlying asset has a low value.

As for measurement subsequent to the initial recognition of leases:

a. the right of use is amortised across the duration of the contract or the useful life of the asset (based on IAS 16)
b. the liability has been gradually reduced as a result of lease payments, on which interest charges have been recognised, and therefore booked separately on the income statement.

In light of these considerations, no impact was recognised on shareholders' equity from first-time application of the principle; in particular, based on the approach decided upon, first-time application of the principle determined an increase

1. of c.€6 million in financial liabilities, following the recognition of the debt to the lessor; and of c.€6 million in financial liabilities, following the recognition of the debt to the lessor; and
2. of c.€6 million in assets, following the recognition of the right of use to the asset.

Quantitative information

Quantitative information about leasing-related items has been provided in the form of notes adjacent to the relevant items in the financial statement- The following table summarises the effects arising from adoption of IFRS 16 with regard to financial year 2024.

	Value as at 31 12 2023	Changes					Value as at 31 12 2024
		Interest	Depreciation	Payments	Initial recognition	Other changes	
Statement of Financial Position – Assets							
Item 80 - Property and equipment							
- Right-of-use assets	**2,571,333**	**-**	**(731,166)**	**-**	**-**	-	**1,912,510**
Buildings for office use	2,571,333	-	(731,166)	-	-	72,343	1,912,510
Buildings for residential use	-	-	-	-	-	-	-
Motor vehicles	-	-	-	-	-	-	-
Statement of Financial Position – Liabilities							
Item 10 - Financial liabilities measured at amortised cost							
- Other liabilities	**2,795,342**	**37,406**	**-**	**(873,716)**	**-**	**103,701**	**2,062,732**
Lease liabilities on buildings for office use	2,795,342	37,406	-	(873,716)	-	103,701	2,062,732
Lease liabilities on buildings for residential use	-	-	-	-	-	-	-
Lease liabilities on motor vehicles	-	-	-	-	-	-	-
Profit and Loss Statement							
Item 80 - Interest							
- Interest expense on financial liabilities measured at amortised cost	**-**	**(37,406)**	**-**	**-**	**-**	**-**	**(37,406)**
Lease liabilities on buildings for office use	-	(37,406)	-	-	-	-	(37,406)
Lease liabilities on buildings for residential use	-	-	-	-	-	-	-
Lease liabilities on motor vehicles	-	-	-	-	-	-	-
Item 160 - Depreciation and net impairment losses on property and equipment							
- Depreciation	**-**	-	**(731,166)**	**-**	**-**	**-**	**(731,166)**
Right-of-use buildings for office use	-	-	(731,166)	-	-	-	(731,166)
Right-of-use buildings for residential use	-	-	-	-	-	-	-
Right-of-use motor vehicles	-	-	-	-	-	-	-

Section 7 - Other information

7.1 Other

Type of service	Service provider	Service recipient	Fees (thousand Euros)
External audit	KPMG S.p.A.	Intermonte SIM S.p.A.	37
Six-monthly external audit	KPMG S.p.A.	Intermonte SIM S.p.A.	0
Certification services	KPMG S.p.A.	Intermonte SIM S.p.A.	11

Management and coordination of the company

Parent company

Corporate name

Intermonte Partners Sim S.p.A.

Registered office

Galleria de Cristoforis 7/8
20122 Milano

The company falls under the management and coordination of the following company according to article 2497 of the Italian Civil Code:

Summary of latest approved financial statements of the company (according to art. 2497-bis, para. 4):

INTERMONTE PARTNERS SIM S.P.A.	Financials as at 31 12 2023
Total Assets	46,480,869
Total liabilities	14,482,312
Total Equity	31,998,557
Post-tax profit from continuing operations	10,275,859
Income tax for the year	433,052
Profit (Loss) for the year	10,708,911

KPMG S.p.A.
Revisione e organizzazione contabile Via Vittor Pisani, 25
20124 MILANO MI
Telefono +39 02 6763.1 Email it-fmauditaly@kpmg.it PEC kpmgspa@pec.kpmg.it

Independent auditors' report pursuant to articles 14 and 19-bis of Legislative Decree no. 39 of 27 January 2010

To the Shareholders of Intermonte Partners SIM S.p.A.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Intermonte Group (hereinafter also the "Group"), consisting of the balance sheet as at 31 December 2023, the income statement, the statement of comprehensive income, the statement of changes in shareholders' equity and the cash flow statement for the year then ended and the explanatory notes thereto, which include a summary of the significant accounting policies.

In our opinion, the consolidated financial statements provide a true and fair view of the financial position of Intermonte Group as at 31 December 2023, of the income and cash flows for the year then ended in accordance with the International Financial Reporting Standards endorsed by the European Union as well as the measures issued in implementation of art. 43 of Legislative Decree 136/15.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated financial statements" section of our report. We are independent of Intermonte Partners SIM S.p.A. in accordance with the ethics and independence rules and standards applicable in Italy to audits of financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Directors and the Board of Statutory Auditors of Intermonte Partners SIM S.p.A. for the consolidated financial statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with the International Financial Reporting Standards endorsed by the European Union as well as the measures issued in implementation of article 43 of Legislative decree no. 136/15 and, within the terms established by Italian law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and for the appropriate use of the going concern basis in the preparation of the consolidated financial statements and for the adequacy of the related disclosures. The use of this basis of accounting is appropriate unless the Directors believe that the conditions for liquidating Intermonte Partners SIM S.p.A. or ceasing operations exist, or have no realistic alternative but to do so.

The Board of Statutory Auditors is responsible for overseeing, within the terms established by Italian law, the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISA Italia will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISA Italia, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks; and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- conclude on the appropriateness of the Directors' use of the going concern basis and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are deemed inadequate, to modify our opinion. Our conclusions are based on the evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation;
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the Group audit. We are solely responsible for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance, identified at the appropriate level required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

Opinion pursuant to article 14, paragraph 2, letter e) of Legislative Decree 39/10

The directors of Intermonte Partners SIM S.p.A. are responsible for preparation of the report on the management of Intermonte Group at 31 December 2023, and for the consistency of such reports with the related consolidated financial statements and their compliance with the applicable law.

We have performed the procedures required by Standard on Auditing (SA Italia) 720B in order to express an opinion on the consistency of the management report with the consolidated financial statements of Intermonte Group at 31 December 2023 and on the compliance of the management report with the law, as well as to issue a statement on any material errors.

In our opinion, the management report is consistent with the consolidated financial statements of Intermonte Group at 31 December 2023 and has been prepared in accordance with the law. With reference to the above statement required by art. 14, paragraph 2, letter e), of Legislative Decree 39/10 based on our knowledge and understanding of the entity and its environment acquired through our audit, we have nothing to report.

Milano, 8 April 2024 KPMG S.p.A.

Domenico Donato, Partner

Intermonte SIM

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