



2024 Annual Report

Registered under no. 8970 of the Register of Companies on 05/05/2022
Registered under no. 75 Register of Authorized Subjects on 05/05/2023
Registered office in Via Consiglio dei Sessanta n. 99 - Dogana (RSM)
Share capital euro € 500.000,00 - C.O.E. SM29839

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Corporate team

Board of Directors

NORRI Franco	-	President
BRACALE Giovanni	-	Vicepresident
FERRACCI Massimo	-	Board Member and Chief Executive Officer

General Management

FERRACCI Massimo	-	Head of the Executive Structure
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Board of Statutory Auditors

LAURETI Luca	-	President
AMICI Alfredo	-	Board member
BELLUZZI Gian Luca	-	Board member

Auditing company

AB&D Audit Business & Development S.p.A.

MANAGEMENT REPORT

World economic situation and outlook

Summary:

Global growth will remain weak due to persistent uncertainty

Lower inflation and monetary easing offer relief, but trade tensions, high debt burdens and geopolitical risks cloud the outlook.

Despite lower inflation, improving labor market conditions and monetary easing, global growth is expected to remain below its pre-pandemic pace and the world economy continues to face significant uncertainties. This continues to severely affect progress towards the Sustainable Development Goals (SDGs), particularly for many developing countries that are still suffering from the cumulative impacts of successive crises.

“Countries cannot ignore these dangers. In our interconnected economy, shocks in one part of the world raise prices in another. Every country is affected and must be part of the solution, building on the progress made. We have charted a course. Now is the time to deliver. Together, let us make 2025 the year we set the world on the right path to a prosperous and sustainable future for all.”

– António Guterres, United Nations Secretary-General

The United Nations' regular World Economic Situation and Prospects 2025 presents the global and regional economic outlook for the coming year, emphasizing the importance of global cooperation and prudent policies to boost growth and place it on a stable and equitable path that can accelerate progress towards the Sustainable Development Goals (SDGs). This year's thematic chapter delves deeply into the topic of critical minerals for the energy transition that can accelerate climate action, while presenting opportunities for many developing countries to create jobs, generate public revenue and reduce poverty and inequality.

European Outlook

The European economy is expected to see a modest recovery in growth in 2025, driven by falling inflation, less restrictive monetary policies and resilient labor markets, according to the United Nations World Economic Situation and Prospects (WESP) 2025.

However, the pace of expansion in the region remains constrained by fiscal tightening, weak manufacturing activity and structural challenges such as sluggish productivity growth and population ageing.

The UN's flagship economic report forecasts that global growth will remain at 2.8 per cent in 2025, unchanged from 2024.

While the global economy has shown resilience, weathering a series of mutually reinforcing shocks, growth remains below the pre-pandemic average of 3.2 per cent amid weak investment, slow productivity growth and high debt levels.

The report highlights that lower inflation and ongoing monetary easing in many economies could give a modest boost to global economic activity in 2025. However, uncertainty still looms, with risks stemming from geopolitical conflicts, rising trade tensions and high borrowing costs in many parts of the world.

Developed economies: growth of real GDP

Annual percentage change

	2002–2016 ^a	2017	2018	2019	2020	2021	2022	2023	2024 ^b	2025 ^c	2026 ^c
Developed economies	1.7	2.5	2.3	1.9	-4.0	5.8	2.9	1.7	1.7	1.6	1.8
United States	2.0	2.5	3.0	2.5	-2.2	6.1	2.5	2.9	2.8	1.9	2.1
Canada	1.9	3.0	2.7	1.9	-5.0	5.3	3.8	1.2	1.2	1.8	2.0
Japan	0.8	1.7	0.6	-0.4	-4.2	2.7	1.2	1.7	-0.2	1.0	1.2
Republic of Korea	4.0	3.4	3.2	2.3	-0.7	4.6	2.7	1.4	2.0	2.2	2.2
Australia	3.0	2.5	2.9	1.8	-2.2	5.5	3.9	2.0	1.1	2.2	2.5
New Zealand	2.9	4.1	4.1	3.3	-1.1	5.9	2.2	0.9	0.5	2.1	2.4
European Union	1.2	2.8	2.0	1.9	-5.6	6.1	3.5	0.4	0.9	1.3	1.5
Austria	1.4	2.3	2.4	1.5	-6.6	4.2	4.8	-1.0	-0.5	0.8	1.1
Belgium	1.6	1.6	1.8	2.2	-5.3	6.9	3.0	1.4	1.0	0.8	1.1
Bulgaria	3.4	2.7	2.7	4.0	-4.0	7.7	3.9	1.8	2.0	2.5	3.0
Croatia	1.7	3.4	3.0	3.4	-8.5	13.0	7.0	3.1	3.6	3.0	3.0
Cyprus	1.8	5.7	5.6	5.5	-3.4	9.9	5.1	2.5	3.8	3.0	2.7
Czechia	2.7	5.2	3.2	3.0	-5.5	3.6	2.4	-0.3	1.0	2.3	2.5
Denmark	1.1	2.8	2.0	1.5	-2.4	6.8	2.7	2.5	2.8	2.4	1.9
Estonia	3.2	5.8	3.8	4.0	-1.0	7.2	-0.5	-3.0	-1.0	2.5	2.5
Finland	1.2	3.2	1.1	1.2	-2.4	2.8	1.3	-1.2	-0.3	1.1	1.4
France	1.1	2.1	1.6	2.0	-7.4	6.9	2.6	1.1	1.2	0.8	1.2
Germany	1.2	2.7	1.0	1.1	-3.8	3.2	1.8	-0.3	-0.2	0.3	0.7
Greece	-0.5	1.1	1.7	1.9	-9.3	8.4	5.6	2.0	2.2	2.0	1.9
Hungary	2.0	4.3	5.4	4.9	-4.5	7.1	4.6	-0.9	0.8	3.0	3.0
Ireland	3.9	9.3	8.5	5.3	6.6	15.1	9.4	-5.5	-1.2	3.5	3.4
Italy	-0.1	1.7	0.9	0.5	-9.0	8.3	4.7	0.7	0.5	0.7	0.9
Latvia	3.4	3.3	4.0	0.6	-3.5	6.7	3.0	-0.3	-1.0	2.5	2.7
Lithuania	3.9	4.3	4.0	4.7	0.0	6.3	2.4	-0.3	2.4	2.7	2.7
Luxembourg	2.8	1.3	1.2	2.9	-0.9	7.2	1.4	-1.1	1.0	2.0	2.1
Malta	3.9	13.0	7.2	4.1	-3.5	13.5	4.1	7.5	4.8	4.2	4.0
Netherlands (Kingdom of the)	1.1	2.9	2.4	2.0	-3.9	6.2	4.3	0.1	0.9	1.4	1.6
Poland	3.7	5.1	5.9	4.4	-2.0	6.9	5.6	0.2	2.7	3.6	3.6
Portugal	0.2	3.5	2.8	2.7	-8.3	5.7	6.8	2.3	1.6	1.9	2.0
Romania	3.6	8.2	6.0	3.9	-3.7	5.7	4.1	2.0	1.0	3.1	3.5

Economic situation and outlook for the Republic of San Marino

Summary:

Growth expected from ongoing integration processes with the European union. Banking and financial sectors performing well

The analysis conducted by the anis (San marino national industry association) observatory confirms the difficulties faced by businesses due to the decline in demand and market uncertainty.

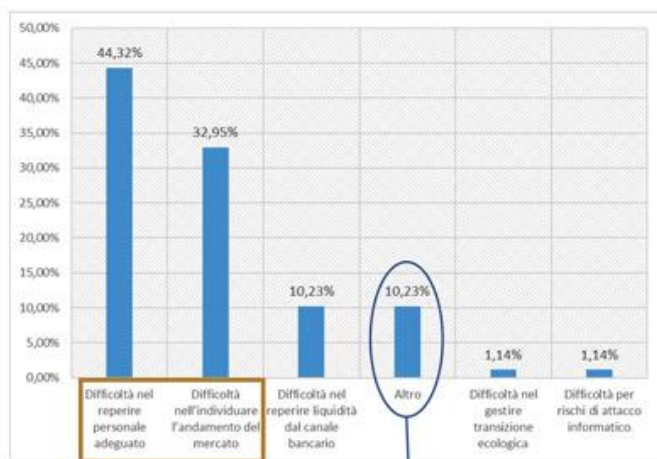
Despite the slowdown, employment remains at very high levels, but the shortage of skills and qualified personnel remains a critical issue.

New measures are therefore needed to support businesses, particularly in the energy sector and in terms of investment.

This is the summary drawn by anis from the analysis of its observatory on the economic performance of its member companies in the four-year period 2020-2023, enriched by both the first indicators on the 2024 financial statements and the outlook for 2025, which is unfortunately still characterized by the consequences of the conflicts in Ukraine and the middle east, but also by cautious optimism about the recovery in orders, whose decline had a negative impact on 2024, particularly for the mechanical sector.



Principali difficoltà rilevate nel 2024



- Calo sostanziale della domanda
- Aumento del costo del denaro
- Difficoltà nell'ottenere le giuste certificazioni per l'export
- Nessuna difficoltà

- L'indagine ha permesso di raccogliere dati finalizzati all'identificazione degli elementi di maggiore criticità rilevate nell'anno 2024.
- Il 44,32% dei rispondenti ha identificato la principale difficoltà nel **reperire personale adeguato** a ricoprire le mansioni assegnate.
- Molte imprese, circa il 33% dei rispondenti, hanno riscontrato difficoltà nell'**individuare l'andamento del mercato**.
- Si evidenzia inoltre una non trascurabile difficoltà nel **reperire finanziamenti bancari** (~ 10,23%).
- Fra le **altre** difficoltà riscontrate dalle imprese nel 2024 si evidenzia **la problematica del calo della domanda** (~ 3,5% rispetto al 10,23%).
- Circa il 2% dei rispondenti non ha riscontrato alcuna difficoltà rilevante nel 2024.



SI CONFERMANO PER IL TERZO ANNO CONSECUTIVO COME PRINCIPALI DIFFICOLTÀ IL REPERIMENTO DI PERSONALE ADEGUATO E LA DIFFICOLTÀ NELL'INDIVIDUARE L'ANDAMENTO DEL MERCATO



The results of the analysis for 2020-2023 are the result of the methodology used, which includes a sample of 224 companies, i.e. those whose financial statements are available for

the entire four-year period. The sample analyzed represents, however, 99.31% of revenues, 98.36% of assets and 98.77% of personnel costs.

As regards the trend for the four-year period 2020-2023, after the rebound in 2021 and following the lockdown and the exceptional results of 2022, 2023 saw a phase of consolidation, with signs of stability but also some emerging challenges.

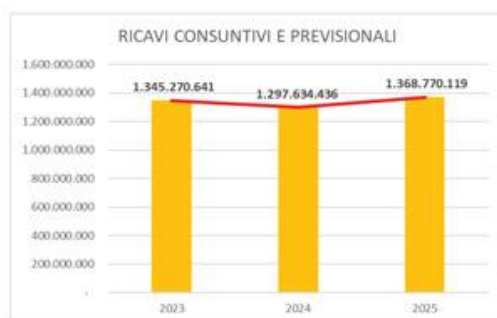
Among the main indicators, there was marginal growth in value added (+1.6%), driven by cost rationalization and a focus on operational efficiency and improved financial strength, with a reduction in financial leverage and overall leverage, indicating lower debt dependence and more prudent management.

Asset profitability (roa) also continued to improve, rising from 10.59% in 2022 to 10.76% in 2023, supported by stable ros (9.80%) and system turnover.

However, there are signs of caution regarding personnel costs and a contraction in investments, the result of greater caution on the part of companies, which could, however, limit innovation capacity in the medium to long term.

THE LATEST DATA AND FORECASTS

Prospettive per il 2025 – i Ricavi



SETTORI	RICAVI 2023	RICAVI 2024	RICAVI 2025	VARIAZIONE % 24-25
[Abbigliamento]	47.273.909	42.554.506	45.319.553	6,50%
[Alimentare]	37.098.731	41.446.607	45.655.795	10,16%
[Autotrasporti]	19.796.096	19.651.785	20.006.850	1,81%
[Bio-Farma]	46.780.625	49.416.592	53.375.534	8,01%
[Building Materials]	21.820.622	19.200.075	23.094.961	20,29%
[Carta stampa grafica]	165.076.732	161.703.047	173.523.341	7,31%
[Chimico]	107.314.358	110.829.132	114.988.513	3,75%
[Edilizia]	15.138.889	17.404.002	17.781.269	2,17%
[Informatica e telefonia]	16.559.111	18.145.600	19.386.235	6,84%
[Legno e arredamento]	274.933.143	266.208.871	276.147.898	3,73%
[Meccanico]	494.144.336	442.739.788	465.052.422	5,04%
[Servizi diversi alle imprese]	58.570.040	61.629.099	61.922.409	0,48%
[Trasporto persone]	4.063.050	4.132.868	4.256.854	3,00%
[Turismo]	36.700.999	42.572.465	48.258.484	13,36%
Totale complessivo	1.345.270.641	1.297.634.436	1.368.770.119	5,48%

- Sulla base dei dati previsionali forniti dalle stesse imprese, i ricavi del 2025 si prospettano maggiori rispetto al biennio precedente (+1,75% rispetto al 2023 e +5,48% rispetto al 2024).
- In particolare, i **settori manifatturieri** che prevedono una crescita più significativa sono quelli dei Building Materials, e Alimentare.
- Tra i **servizi** si attendono buoni risultati dal settore del Turismo.
- Si evidenzia che **nessun settore ha previsto una decrescita** dei propri ricavi di vendita nel 2025.

The data show that the business fabric, albeit with clear differences between sectors, certainly faces critical issues in terms of revenue and margins compared to the trends recorded in 2024.

The climate of uncertainty already highlighted in the previous report has materialised in an actual slowdown in the market in many sectors, with a negative impact on most businesses. the most significant factor linked to the decline in sales revenues, in terms of performance, is the under-absorption of fixed costs, which have also increased (personnel costs, services and use of third-party assets).

On a positive note, the workforce continued to grow despite the general slowdown and uncertain climate. on the contrary, there was a further reduction in investment in many sectors. the main challenges identified by companies in 2024 continue to be the recruitment of suitable personnel and the difficulty in identifying market trends.

While 2024 appears to have been a worse year than the previous one, albeit with varying performance across sectors, expectations for 2025 are better in terms of both revenues and employment growth.

In particular, the recovery expected in the mechanical sector, typically a forerunner of market trends, may herald a partial recovery of the market. The effect of inflation, which has characterised recent years, is gradually easing, with purchase price growth now appearing to have slowed.

The ANIS observatory's analyses provide an accurate snapshot of the economic system, in which the real economy continues to be the backbone, both in terms of employment and development, with its continuous investment in the territory.

The Republic of San Marino is called upon to support its business system so that it can maintain and increase the levels of investment and employment achieved.

Government intervention is considered urgent to curb the sudden increases in energy costs, just as the conclusion of the association agreement with the European Union appears to be equally decisive, as it will guarantee the full integration of San Marino's economy with its European partners in a renewed climate of confidence, thanks to the positive performance of the banking and financial system.

Situation and outlook for the *fintech* sector

Summary:

Exponential growth in cross-border payments (particularly in the b2b sector) driven by ai integration processes.

There has been a surge in cross-border payment flows, which are expected to reach \$290 trillion by 2030.

This growth in cross-border payments is fuelled by the rise of international e-commerce, the mobility of the globalised workforce and digital payment solutions that make sending money faster, easier and more transparent.

The rapid growth of the sector highlights the central role of technological progress in supporting the opportunities and challenges that arise from this volume.

The payments industry is undergoing a momentous transformation, driven by technological innovation and new consumer demands. While 2023 was a year of post-pandemic adjustment, 2024 paved the way for increasingly digital, instant and personalised solutions. Looking ahead to 2025, the payments landscape will be dominated by real-time payments (rtp) and new ways of leveraging innovation to improve the user experience.

Global payments: the decline of cash

According to Forrester research, by 2025, cash use will decline by 40% globally. Countries such as Finland, Norway and Sweden have already almost completely abandoned cash, thanks to targeted policies and the widespread use of bank accounts. In contrast, Italy has made limited progress and still ranks among the 30 most cash-dependent economies, as confirmed by Ambrosetti's 2024 cash intensity index.

Globally, countries such as Brazil, China and India are accelerating the adoption of mobile and account-to-account (a2a) payment solutions. Analysts predict that by next year, there will be a

further push towards a2a and real-time payments.

The banking market is investing heavily in real-time payments to make processes digital, instant and intuitive for the end user. the goal is to offer a completely digital experience, accessible via sms or qr code.

Real-time payments: the keyword for 2025

Speed has become imperative. consumers around the world now demand instant access to financial services. this is driving operators and institutions to invest in real-time transaction and settlement processes.

Areas of application for real-time payments:

- instant payments and fund transfers.
- open banking: direct account-to-account transactions.
- applications for loans and risk assessments.
- embedded finance: solutions integrated into payment services.
- fraud reduction through real-time assessments.
- faster and more transparent cross-border payments.

Although challenges remain (infrastructure upgrades, regulatory compliance and fraud prevention), financial institutions will need to focus on value-added products to meet the growing demand for speed and gain a competitive advantage.

BNPL: the growth of 'buy now, pay later' in Italy

The 'buy now, pay later' (BNPL) model has seen exponential growth in Italy, albeit with a delay compared to other markets less dependent on cash.

According to the innovative payments observatory at the Politecnico di Milano, in 2023, the volume of BNPL transactions reached €4.6 billion, representing 6.5% of the Italian e-commerce market. in addition, 14% of Italians said they had used this payment method, mainly for online purchases.

From Asia to the west: the 'save now, pay later' model

An emerging trend from Asian markets (led by India) is attracting the attention of global players: the 'save now, pay later' (SNPL) model.

Unlike BNPL, which offers post-purchase instalments, SNPL allows users to save in instalments for a future purchase. some fintech companies are already introducing this solution in the United States and Europe, targeting an audience that prefers a more cautious and sustainable approach to spending.

Conclusion: the vision for 2025

The future of payments is geared towards efficiency, speed and flexibility. the keywords for 2025 will be:

- real-time payments: immediate access to funds and simplified transactions.
- continuous innovation: integrated solutions with open banking.
- new payment models: from BNPL to SNPL, with a focus on accessibility and personalisation.

The global market is evolving rapidly, driven by the needs of increasingly digital and demanding consumers (both individuals and businesses). For financial institutions, adopting cloud strategies and real-time solutions is key to catalysing growth, differentiating themselves from the competition and creating tangible value in the payment experience.

ANNUAL INCOME

The income statement at 31 December 2024 shows a negative EBITDA of € -252,580 (€ -228,880 at 31 December 2023) and a net loss of € -257,105 (€ -233,309 at 31 December 2023). The reclassified income statement is shown below:

(€/000)	2024	2023	Delta	Delta %
Interest income (expense) on receivables	0,016	0,045	0,029	65%
Commission income (expense)	-1,248	-0,594	0,654	110%
Profits (losses) from financial transactions	0	0	-	-
Operating Revenues	-1,3	-0,549	0,356	184%
Employee expenses	-17	-12	5	5%
General expenses	-234	-216	17	8%
Administrative expenses	-251	-228	118	107%
Other income and expenses	0	0	0	-
Operating provisions	0	0	0	-
Operating expenses	-251	-228	23	10%
EBITDA	-252	-229	23	10%
Depreciation	-3,2	-3,1	0,1	5%
Operating income	-256	-232	24	10%
Other extraordinary components	-1,3	-1,3	1,3	-
Income before taxes	-257	-233	24	10%
Taxes	0	0	0	-
Net income	-257	-233	24	10%

The balance sheet figures highlighted on 31 December 2024 are compared with the final figures for the previous year and are shown below:

(€/000)	2024	2023	Delta	Delta %
Assets				
Available-for-sale financial assets	0	0	-	-
Receivables	52	361	-309	- 85%
Participations	0	0	-	-
Property, plant and equipment	1,7	1,3	0,4	31 %
Intangible assets	5,7	8,5	-2,8	- 33%
Fiscal Receivables	0	0	-	-
Other assets	0,218	0,008	0,210	2621%
Other current assets	689	332	357	108%
Total Assets	750	703	47	7%
Liabilities and shareholders' equity				
Loans	293	275	17	6%
Fiscal liabilities	0,8	2	-1,6	-66%
Liabilities from suppliers	180	128	52	41%
Other liabilities	31	31	0	0%
Employee severance pay	1	0,7	0,3	43%
Provisions for risks and charge	0,7	0,2	0,5	250%
Total shareholders equity	243	266	-24	-9%
Total liabilities and shareholders' equity	750	703	47	7%

For any further comments on the main accounts as well as for any additional informative details, please refer to the Explanatory Note attached to the Annual Report.

Corporate Governance Structure

During the past fiscal year, the Company was not involved in any ordinary or extraordinary events that changed the governance structure.

The company's situation and management performance

SALVE Financial Hub S.p.A. is a fintech PSP that focuses its activities on rigorous compliance processes with the aim of operating in the international B2B segment, specifically in the commercial and manufacturing sectors, facilitating operational enforceability having profiled upstream the entire chain of transactions and stakeholders.

The Company is authorized by the Central Bank of the Republic of San Marino to provide the Payment Services referred to in letter I of Annex 1 of the LISF, for the services referred to in point c) "execution of payment transactions, including transfer of funds, on a payment account with the user's payment service provider or with another payment service provider".

SALVE Financial Hub S.p.A. is also registered in the Public Register of Companies of the Republic of San Marino on 05.05.2022 at no. 8970; in the Register of Authorized Subjects by the Central Bank of the Republic of San Marino on 05.05.2023 at no. 75; and in the relevant Register of Payment Service Providers on 05.05.2023 at no. 12.

Regarding the operating performance, it should be noted that the company has not yet started operations.

At the date of December 31, 2024, the subscribed and paid-up share capital, as recorded in the Company Register, amounted to 500,000.00 euros, which has remained unchanged since its establishment.

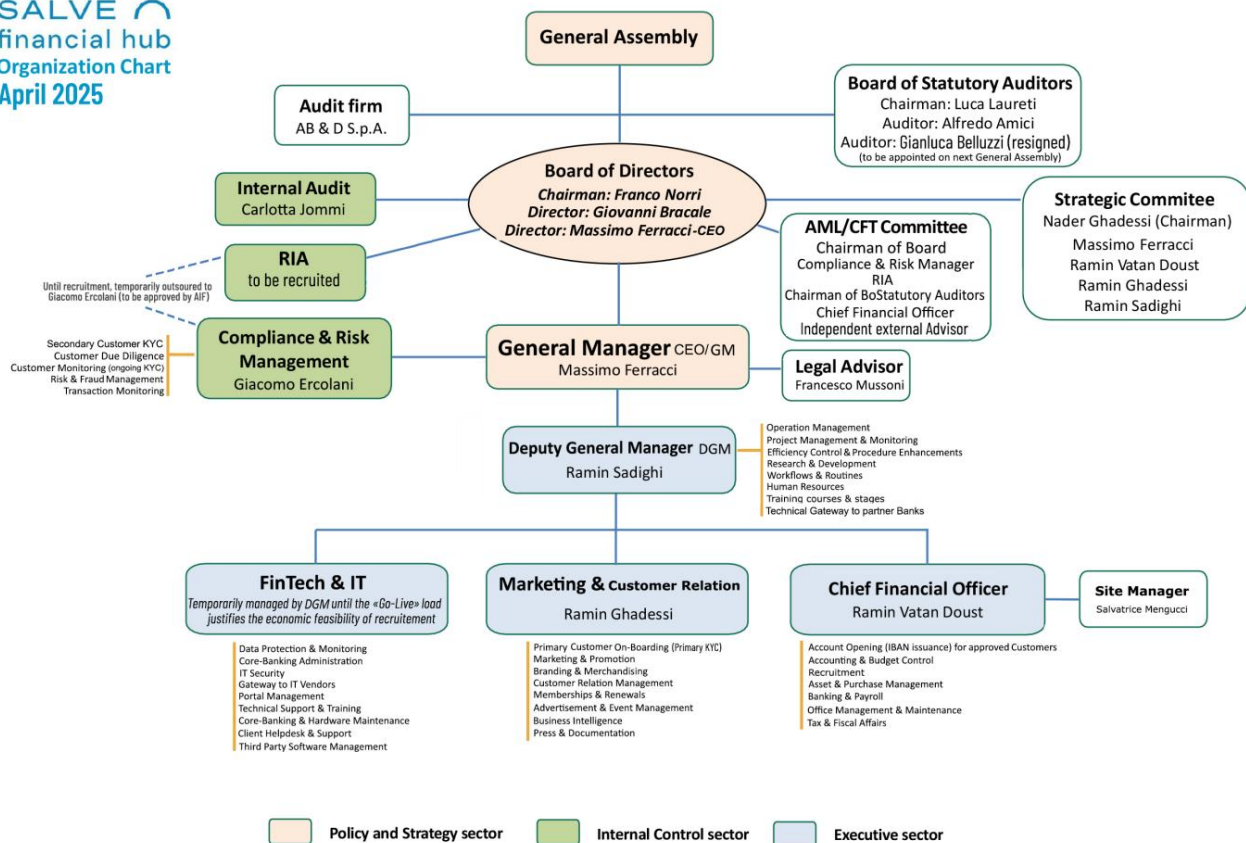
Organizational structure

SALVE Financial Hub S.p.A. has equipped itself with an organizational structure aimed at maximizing clarity in the definition of roles and responsibilities, ensuring on the one hand a strong internal control system and on the other hand the best functionality in a highly informatized, technology-intensive environment.

In carrying out its activities, the Company makes use of the services provided by processors of high standing and additional suppliers of proven experience, defined, also in terms of service levels, within contracts that comply with the regulations of the supervisory authority Central Bank of the Republic of San Marino.

For better representativeness, please refer to the reading of the organization chart shown in the figure below:

SALVE
financial hub
Organization Chart
April 2025



The main features of internal control systems

In accordance with the provisions of current primary and secondary regulations and having achieved, where necessary, the appropriate authorizations in the hypotheses of outsourcing and cumulation, the Internal Control System (ICS) of SALVE Financial Hub S.p.A. is organized on three distinct and separate levels:

- “Line or first-level controls”: controls aimed at ensuring the proper performance of operations related to the provision of payment services. They are carried out by the operational structures themselves (e.g., hierarchical, systematic and spot checks), incorporated into procedures (including automated where present) or performed as part of back-office activities. Business organizational units are given responsibility for the proper execution of the processes.
- “Second-level controls”: controls that aim to contribute to the definition of methods for measuring business risks, to verify compliance with the limits assigned to the various operational functions, and to check the consistency and conformity of the operations of individual areas in accordance with current primary and secondary regulations, as well as with self-regulatory standards. They are entrusted to structures other than operational structures in order to ensure due separation between control and operational functions and are divided into “risk management controls”.

“Risk controls” means second-level controls aimed at contributing to the definition of risk measurement methods, verifying compliance with the limits assigned to the various operational structures, monitoring the consistency of the operations of individual operational areas with the risk objectives.

The risk manager collaborates in the establishment of risk management policies and related detection and control procedures and methods; He supervises the operation of the risk control system and verifies the institution's compliance with it; he verifies the suitability and effectiveness of measures taken to correct weaknesses found in the risk control system.

“Compliance controls” means second-level controls aimed at verifying compliance of the activity carried out with any applicable legal, statutory, supervisory, and self-regulatory provisions, including with regard to fighting financial crime in the areas of money laundering, usury, terrorist financing, and other financial crimes.

The Compliance Service identifies the regulations applicable to the Institute and the services it provides and measures/evaluates their impact on business processes and procedures; proposes organizational and procedural changes aimed at ensuring proper oversight of the risks of non-compliance with regulations; it prepares direct information flows to corporate bodies and other corporate control functions; it verifies the effectiveness of suggested organizational adjustments to prevent the risk of non-compliance.

Third-level controls are delegated to the Internal Audit Service, which is functionally dependent on the Board of Directors. The Internal Audit Service operates in close connection with the Board of Statutory Auditors and the Executive Board and reports on its work to the Board of Statutory Auditors. The Service's internal audit activities focus on the prior and ongoing assessment of the risks characterizing the Company's business activities and the degree to which the Company's system of internal controls is covered. It is an activity conducted on a continuous basis and therefore based on the periodic assessment of the completeness, functionality and suitability of the system of internal controls, including those on the information system, at a predetermined frequency in relation to nature and intensity of risks. The activity is conducted by structures different from and independent of production structures, including through site visits, and brings possible improvements to risk management policies, measurement tools, and procedures to the attention of the Board of Directors and the head of the executive structure.

The risks' exposure

Regarding risk management, the Statute assigns:

- to the Board of Directors, the responsibility for identifying the objectives, strategies, profile and risk levels of the Company, defining corporate policies and those of the system of internal controls, and periodically verifying their proper implementation and consistency with the development of business activities; the responsibility also for approving risk management policies, as well as the related procedures and methods of detection and control;
- to the Board of Statutory Auditors, the task of supervising the suitability of the organizational structures, the functionality of the overall system of internal controls, verifying the efficiency of the structures and functions involved in the same system and the proper coordination between them; promoting corrective action on the weaknesses and irregularities detected in the risk management and control system;

- to the Head of the Executive Structure, the responsibility for the organization and implementation of the system of internal controls in accordance with the strategic guidelines and risk management policies approved by the Board of Directors. He verifies on an ongoing basis the suitability of the system of internal controls, providing for its adjustment in the light of changes in operations. He promptly takes the necessary measures if weaknesses or anomalies emerge from the set of checks carried out on the system of internal controls.

SALVE Financial Hub S.p.A., in the awareness of the specific peculiarity of its operations, mainly focused on the provision of international payment services, operates a mapping of business processes and related qualitative and quantitative detection of relevant risks for each process and each operating unit, paying special attention to the most significant types of risk (Operational Risk and Risk of Money Laundering and Financing of Terrorism). The monitoring of the indicated risks takes place through continuous control of the designated functions and corporate bodies involved and through the preparation of specific regulations. Operational risks will be managed through specific monitoring tools for payment operational risks while money laundering and terrorist financing risks are ensured by the application of processes of intensive enhanced due diligence in the on-boarding phase for all customers (and their beneficiaries/orderers), analysis of the underlying transaction in the on-going phase and accurate controls in continuum.

The Risk Management Service performs measurement and control activities (current and prospective) of the Institute's exposure to risks deemed relevant; it measures and monitors all types of risks (quantifiable and non-quantifiable), proposing management and operational solutions aimed at their mitigation.

Significant events after the end of the fiscal year

The Company since the beginning of the authorization to operate the business has immediately activated three main objectives:

1. Achievement of proper service levels with technology partner Finastra International Ltd to ensure full functionality of the core banking system. The activity is constantly monitored with performance profiling processes.

After the end of the financial year, internal testing of the entire technological system was completed with all directories provided by SWIFT.

2. Implementation of the internal organizational chart focused mainly on the system of internal controls.

The expected development of management

Unforeseeable facts such as unprecedented delays on the part of the potential tramitation bank, which are entirely extraordinary and completely independent of the Company, have caused the delay in the start-up of the activity that was initially planned by the end of 2024.

The company has obtained payment processing services within the SEPA area from BFF Bank and is moving towards completing its technology plan in view of the definitive launch of its activities.

For 2025, the Company plans to draw up a new business plan which, in updating the previous one, will outline the strategic guidelines for the next three years on which the entire management team will focus, based on similar indications emerging from the Board of Directors and the shareholders.

Considering the above, the administrative body has deemed that the going concern assumption is valid.

Other information

The Company has no branches.

The Company does not hold any of its own shares.

The project covering the operating loss

Dear Shareholders,

This Annual report, consisting of the Balance Sheet, Income Statement, and the Explanatory Note, gives a true and fair view of the financial position and income for the year, and corresponds to the underlying accounting records.

The Company's fiscal year ended December 31, 2024, recorded a loss for the year of 257.105,02 euros, which places the Company in the situation provided by Article 14 of Law No. 47/2006.

Therefore, it is proposed to the shareholders' meeting cover the loss for the year through the waiver of shareholders' financing, thereby being able to ensure the integrity of the share capital.

In accordance with the provisions of Article 83, Paragraph 3, of Law No. 47 of February 23, 2006, the undersigned legal representative certifies that this annual report, together with the explanatory note, was approved by the Board of Directors on April 14, 2025 and, together with the Report prepared by the Auditing Company, will be filed at May 09, 2025 at the Company's registered office with the right of shareholders to inspect it and to have copies from the directors.

In accordance with the Article 83 of Law 47/2006, from that date, the minimum period of 20 free days prior to the approval of the annual report by the Shareholders' Meeting begins.

FRANCO NORRI
President

BALANCE SHEET

ASSETS	31/12/2024		31/12/2023	
	Totals	Partials	Totals	Partials
10 Cash and cash equivalents	174		232	
20 Treasury securities and other financial instruments eligible for refinancing with central banks				
a) Treasury securities and other assimilated financial instruments;				
b) other financial instruments eligible for refinancing with central banks				
30 Receivables from credit entities	52.695		361.332	
a) in sight		52.695		361.332
b) other receivables				
40 Receivables from clients				
a) in sight				
b) other receivables				
50 Bonds and other financial debt instruments				
a) of public entities				
b) of credit entities				
c) of financial companies other than credit entities				
d) of other entities				
60 Shares, units and other financial equity instruments				
70 Equity investments				
a) Financial companies				
b) Non financial companies				
80 Equity investments in group companies				
a) Financial companies				
b) Non financial companies				
90 Intangible assets	5.684		8.527	
a) Financial Leasing				
- of which assets under construction				
b) Assets pending lease termination				
- Of which for tenant default				
c) Assets available from debt recovery				
- Of which assets available for extinction of loan by settlement agreement				
d) Goodwill				
e) Establishment costs		5.684		8.527
f) Other intangible assets				
100 Property, plant and equipment	1.669		1.275	
a) Financial Leasing				
- of which assets under construction				
b) Assets pending lease termination				
- Of which for tenant default				
c) Assets available from debt recovery				
- Of which assets available for extinction of loan by settlement agreement				
d) Lands and buildings				
e) Other tangible fixed assets		1.669		1.275
110 Subscribed and unpaid-up share capital				
- of which called-up share capital				
120 Own shares or units				
130 Other assets	218		8	
140 Other current assets	689.409		331.163	
a) accrued income				
b) prepaid expenses		689.409		331.163
150 Total assets	749.848		702.537	

LIABILITIES AND SHAREHOLDERS' EQUITY		31/12/2024		31/12/2023	
		Totals	Partials	Totals	Partials
10 Liabilities from credit entities					
a) in sight					
b) term or notice					
20 Liabilities from clients					
a) in sight					
b) term or notice					
30 Liabilities represented by financial instruments					
a) bonds					
b) certificates of deposit					
c) other financial instruments					
40 Other Liabilities		505.230		435.125	
- Of which outstanding paychecks and assimilated securities					
50 Other current liabilities					
a) accrued expenses					
b) deferred income					
60 Severance pay		1.004		720	
70 Provisions for risks and liabilities					
a) retirement funds and similar liabilities					
b) tax and fee funds					
c) other funds		719			
80 Provisions for risks on receivables					
90 Provision for general financial risks					
100 Subordinated liabilities					
110 Subscribed share capital		500.000		500.000	
120 Issue surcharges					
130 Reserves					
a) ordinary or legal reserve					
b) reserve for own shares or stock					
c) statutory reserve					
d) other reserves					
140 Appreciation reserve					
150 Profits (losses) carried forward					
160 Net profit (loss) for the year		(257.105)		(233.309)	
170 Total Liabilities and shareholders' equity		749.848		702.537	
WARRANTIES AND COMMITMENTS		31/12/2024		31/12/2023	
		Totals	Partials	Totals	Partials
10 Warranties issued					
- of which:					
a) acceptances					
b) other warranties					
20 Commitments					
- of which:					
a) certain usage					
- of which financial instruments					
b) uncertain use					
- of which financial instruments					
c) other commitments					

INCOME STATEMENT

	31/12/2024		31/12/2023	
	Totals	Partials	Totals	Partials
10 Interest and similar income	16		45	
a) on receivables from credit entities		16		45
b) on receivables from clients				
c) on bonds				
20 Interest and similar expenses				
a) on liabilities from credit entities				
b) on liabilities from clients				
c) on liabilities represented by financial instruments				
- of which on subordinated liabilities				
30 Dividends and other income				
a) on stocks, shares and other equity securities				
b) on equity investments				
c) on equity investments in group companies				
40 Commission income				
50 Commission expenses	(1.248)		(594)	
60 Profits (losses) from financial transactions				
70 Other income				
80 Other expenses				
90 Administrative expenses	(251.348)		(228.332)	
a) Employee expenses of which:		(116.146)		(134.447)
- payrolls		(12.669)		(8.648)
- social security contributions		(3.474)		(2.378)
- severance pay		(1.004)		(720)
- retirement benefits and similar liabilities				
- Directors and Auditors		(99.000)		(122.700)
- other employee expenses				
b) Other administrative expenses		(135.202)		(93.885)
100 Value depreciation on intangible assets	(2.842)		(2.842)	
110 Value depreciation on tangible assets	(380)		(225)	
120 Provisions for risks and liabilities				
130 Provisions for risks on receivables				
140 Value adjustments on receivables and provisions for warranties and commitments				
150 Recovery of value on receivables and provisions for warranties and commitments				
160 Value depreciation on financial assets				
170 Recovery of value on financial assets				
180 Profit (loss) from ordinary operations	(255.802)		(231.947)	
190 Extraordinary income	0			
200 Extraordinary expenses	(1.303)		(1.362)	
210 Profit (loss) from extraordinary operations	(1.303)		(1.362)	
220 Taxes for the year				
230 Variation in the General Financial Risk Fund				
240 Net profit (loss) for the year	(257.105)		(233.309)	

EXPLANATORY NOTE

Section A – General section

Form and content of the annual report

The 2024 annual report has been drafted in accordance with the provisions of Law no. 165 dated 17/11/2005, in accordance with the Regulations issued by the Central Bank of the Republic of San Marino Supervision Division (in particular: Regulation No. 2016-02 on the Preparation of the Corporate Financial Statements and Consolidated Financial Statements of Authorized Entities and Circular No. 2017-03 “Disclosure Requirements for Corporate Financial Statements”), as well as in compliance with the Companies Law and commonly accepted accounting principles.

It is composed of the following documents:

1. Balance sheet;
2. Income statement;
3. Explanatory note.

It is also supported by the report of the Directors on management performance, the report of the Board of Statutory Auditors and the report of the Auditing Company.

The format used meets those stipulated in BCSM Regulation No. 2016-02.

The annual report of the company is drafted clearly and gives a true and fair view of the financial position and economic results of operations for the year.

To improve the level of clarity and truthfulness of the annual report, the accounts are drafted giving preference to the representation of substance over form wherever possible.

The various accounts in the annual report are reflected in the company's accounts, which are drafted in accordance with the various administrative events that occurred during the financial year.

The profits shown are those realized at the end of the fiscal year, and accounts have been taken of the risks and losses pertaining to the fiscal year, even if they became known later.

The values shown in the Balance Sheet, Income Statement and these notes are expressed in units of euros, without decimal figures.

The figures for fiscal year 2024 are placed side by side with those for 2023 for the purpose of better comparability of annual report accounts. Although the previous annual report was approved with a format under Law No. 47/2006 (Companies Law), it was then appropriately reclassified here for the purpose of comparability.

Where accounts in the annual report are not corroborated, the respective tables in the notes have not been shown as they relate to non-applicable cases or non-moving accounts; in compliance with Article 5 of BCSM Circular No. 2017-03, the list of non- corroborated tables is given below:

- Table 2.1: Details of item 20 “Treasury securities and other financial instruments eligible for refinancing with central banks.”;
- Table 3.4: Movement of total value adjustments of “Receivables from CREDIT ENTITIES”;
- Table 4.1: Details of item 40 “Receivables from clients”;
- Table 4.2: Secured receivables from clients;
- Table 4.3: Statement of cash receivables from clients;
- Table 4.4: Movement of cash loans to clients;
- Table 4.5: Movement of total value adjustments of receivables from clients;
- Table 4.6: Details of “Receivables from clients” according to residual life;

- Table 5.1: Details of investment and non-investment financial instruments;
- Table 5.2: Details of “long-term financial instruments”;
- Table 5.3: Annual changes in long-term financial instruments;
- Table 5.4: Details of “non-current financial instruments”;
- Table 5.5: Annual changes in “financial instruments not held as fixed assets.”
- Table 6.1: Equity Investments and Investments in Group Companies;
- Table 6.2: Details of item 70 “Equity investments.”
- Table 6.3: Details of item 80 “Equity investments in group companies.”
- Table 6.4: Annual changes in item 70 “Equity investments.”
- Table 6.5: Annual changes in item 80 “Investments in group companies.”
- Table 6.6: Assets and liabilities to subsidiaries companies (item 70);
- Table 6.7: Assets and liabilities to subsidiaries forming part of the group (item 80);
- Table 8.3: Assets purchased from loan recovery;
- Table 8.4: Leases to credit entities and clients (outstanding principal and overdue lease payments);
- Table 9.1: Details of item 110 “Subscribed and unpaid-up share capital.”
- Table 10.1: Social action composition;
- Table 13.1: Details of item 10 “loans to CREDIT ENTITIES.”
- Table 13.2: Details of loans to CREDIT ENTITIES by residual life;
- Table 14.1: Details of item 20 “Loans to clients.”
- Table 14.2: Composition of loans to clients by residual maturity;
- Table 15.1: Details of loans represented by financial instruments;
- Table 17.1: Details of item 50 “Accrued expenses and deferred income.”
- Table 18.3: Movement in “Provision for taxes and fees.”
- Table 18.4: Movement in sub-item (c) “Other funds.”
- Table 18.5: Movement in item 80 “Provisions for credit risks.”
- Table 19.1: Details of item 90 “Provision for general financial risks”
- Table 19.2: Details of item 100 “Subordinated liabilities”;
- Table 19.4: Details of item 120 “Issue surcharges.”
- Table 19.5: Details of item 130 “Reserves.”
- Table 19.6: Details of item 140 “Appreciation reserve.”
- Table 19.7: Details of item 150 “Profits (losses) carried forward”
- Table 19.11: Composition of the savings collection by economic sector;
- Table 20.1: Details of “warranties issued”;
- Table 20.2: Details of signature receivables;
- Table 20.3: Statement of signature receivables from CREDIT ENTITIES;
- Table 20.4: Statement of signature receivables from clients;
- Table 20.5: Assets pledged as collateral for their own liabilities;
- Table 20.6: Usable margins on credit lines;
- Table 20.7: Settlement of “spot commitments.”
- Table 20.8: Term commitments;
- Table 20.9: Financial derivatives;
- Table 20.10: Credit derivative contracts;
- Table 21.1: Order accounts;
- Table 21.2: Third-party brokerage: execution of orders;
- Table 21.3: Details of Indirect Collection by sector of economic activity;
- Table 21.4: Trust activity;
- Table 21.5: Assets held in the performance of the trustee function;
- Table 22.2: Details of item 20 “Interest and similar expenses.”
- Table 23.1: Details of item 30 “Dividends and other income.”
- Table 24.1: Details of item 40 “Commission income.”

- Table 24.3: SG: information on active and passive commissions;
- Table 25.1: Details of item 60 "Profits (losses) from financial transactions."
- Table 26.1: Composition of items 70-80 'Other operating income' and 'Other operating expenses';
- Table 28.2: Details of item 120 "Provisions for risks and charges."
- Table 28.3: Item 130 "Provisions for risks on receivables."
- Table 28.4: Details of item 140 "Value adjustments on receivables and provisions for warranties and commitments."
- Table 28.5: Different types of movements during the year;
- Table 28.6: Details of item 150 "Recovery of value on receivables and on provisions for warranties and commitments;"
- Table 28.7: Details of item 160 "Value adjustments on financial assets."
- Table 28.8: Details of item 170 "Recovery in value of financial assets."
- Table 30.1: Details of item 230 "Variation in the General Financial Risk Fund"
- Table 32.1: great risks;
- Table 32.2: Risks to related parties;
- Table 35.1: Client cash balances with CREDIT ENTITIES;
- Table 35.2: Amount of the payment accounts;
- Table 36.1: Volumes of payment transactions;
- Table 36.2: Fraudulent uses;
- Table 36.3: Credit cards revoked for default;
- Table 36.4: Data related to acquiring activity;
- Table 37.1: SG: details on the amount of assets under management.
- Table 38.1: Summary prospectus of securitised assets and securities issued.

The evaluation criteria

The valuation criteria adopted comply with current legal provisions and are uniform with those applied in the previous year.

The annual report was drafted in accordance with the general principles of prudence, accrual basis and prevalence of economic substance over legal form.

Valuations have been made with a perspective of the business continuity and the basic principle has been that of cost, except where otherwise indicated.

The most significant principles and valuation criteria adopted in the drafting of the 2023 annual report are set out below.

Cash balances and availability at central banks and postal institutions

These are recorded at the nominal value. This item includes the cash on hand recognized at the end of the fiscal year.

Receivables from and loans from credit entities

These items include all receivables from and loans to credit entities, whatever their technical form. Receivables are entered at their presumed realizable value while loans are entered at their nominal value, which coincides with their presumed settlement value.

Equity investments

Equity investments constitute financial fixed assets held for the purpose of stable investment, which realize a situation of durable connection and are valued using the cost principle. It is determined based on the acquisition or subscription price, adjusted by any impairment losses

to define them, also based on impairment evaluations on the adopted business plans as well as any other information useful for valuation purposes. Equity investments, which must be written down in the presence of impairment losses, can be revalued only if there is a specific legal provision.

Intangibles assets

Assets recorded under intangible assets are non-monetary assets, lacking physical substance, identifiable and capable of generating future economic benefits controllable by the company. This item includes start-up and expansion costs, research and development costs, licenses, trademarks, as well as all costs having multi-year utility.

Intangible assets are recorded at original purchase cost.

Accessory charges and costs incurred for the use of the fixed asset were taken into account in the carrying value.

Intangible assets have been amortized on a straight-line basis over the period of their expected future usefulness. This period is no longer than that stipulated in Regulation No. 2016-02 set at five years.

Property, plant and equipment

This item includes all tangible assets destined for long-term use by the company.

Tangible assets are recorded at original purchase cost, including all directly attributable expenses.

Tangible assets are systematically depreciated in each fiscal year on a straight-line basis based on economic-technical rates determined in relation to the remaining possibility of use of the assets. These rates are appropriately referenced in the ordinary rates set forth in Law No. 166 of December 16, 2013, "General Income Tax," as amended.

Other assets and liabilities

They are recorded at estimated realizable value and estimated settlement value, respectively. This item includes all assets that cannot be attributed to other asset and liability items.

Currency assets and liabilities

Assets and liabilities denominated in foreign currencies are accounted for at the exchange rate on the day of the transaction and valued at the current spot rate at the end of the fiscal year. The difference between the current value, determined at the end of the fiscal year, of assets and liabilities and off-balance sheet transactions and the book value is placed under "Profits (losses) from financial transactions."

Accruals and Prepayments

They are recorded on an accrual basis.

Severance pay

This item shows the total amount of severance pay allocated to the company's employees, paid in full each year, as required by current regulations.

Provisions for risks and charges

This item includes both liabilities of a definite nature and probable existence, the values of which are estimated (provision for risks), and liabilities of a definite nature and certain existence, estimated in amount or date of occurrence, related to obligations already assumed at the date of the annual report, but which will have financial manifestation in subsequent years (provision for charges).

Commitments

Commitments made related to leasing contracts are recorded in this item.

Other warranties

This item includes the amount of assets pledged as collateral in favor of third parties.

Expenses and income

Interest in income and expenses and other income and expenses are accounted for on an accrual basis.

The tax adjustments and provisions

No provisions and adjustments were made solely in the application of tax regulations.

Section B – Information on balance sheet

Assets

Item 10 “Cash and cash balances with central banks and postal institutions”

Table 1.1: Details of item 10 “Cash and cash equivalents with central banks and postal institutions”

Items/ Values	31.12.2024	31.12.2023	Absolute variation	Variation %
Cash and cash equivalents with central banks and postal institutions	174	232	-58	-25,00%
Total	174	232	-58	-25,00%

On 31 December 2024, cash and cash equivalents amounted to €174.00.

Item 30 " Receivables from credit entities "

Receivables from credit entities on sight refer to:

Table 3.1: details of item 30 "Receivables from credit entities"

Receivables from credit entities:	31.12.2024			31.12.2023			Absolute variation	Variation %
	euros	Currency	Total	euros	Currency	Total		
A) In sight	52.695	-	52.695	361.332	-	361.332	-	-85,42%
A1. Reciprocal accounts taken for services rendered	-	-	-	-	-	-	-	-
A2. Active bank account	52.695	-	52.695	361.332	-	361.332	-	-85,42%
A3. Others	-	-	-	-	-	-	-	-
B) Others Receivables	-	-	-	-	-	-	-	-
B1. Restricted deposits	-	-	-	-	-	-	-	-
B2. Active bank account	-	-	-	-	-	-	-	-
B3. Pct and active carryovers	-	-	-	-	-	-	-	-
B4. Others	-	-	-	-	-	-	-	-
TOTAL	52.695	-	52.695	361.332	-	361.332	-	-85,42%

Loans receivable from credit institutions consist exclusively of current accounts held with local banks.

Table 3.2: statement of cash receivables from credit entities

Categories/values	31/12/2024				31/12/2023			
	Gross exposure	Overall value adjustments	Net exposure	Total partial cancellations	Gross exposure	Overall value adjustments	Net exposure	Total partial cancellations
A) Doubtful receivables	-	-	-	-	-	-	-	-
- of which subject to concession measures								
- Of which from financial leasing operations								
A1. Nonperforming loans								
- of which subject to concession measures								
- Of which from financial leasing operations								
A2. Stranded receivables								
- of which subject to concession measures								
- Of which from financial leasing operations								
A3. Expired and/or overdrawn								
- of which subject to concession measures								
- Of which from financial leasing operations								
B) Performing loans	52.695		52.695		361.332		361.332	
- of which subject to concession measures								
- Of which Expired and/or overdrawn								
- Of which from financial leasing operations								
TOTAL	52.695	-	52.695		361.332	-	361.332	-

Table 3.3: dynamics of doubtful receivables from CREDIT INSTITUTIONS

Categories/values	Sofferenze	Inadempienze probabili	Scadute e/o sconfinanti	Esposizioni creditizie in bonis
A) Initial gross exposure				361.332
' - of which for interest on arrears				
B) Increasing variations				301.000
B1. Entries from performing credit exposures				
B2. Entries from other categories of non-performing loans				
B3. Interests on arrears				
B4. New concessions				
B5. Other increasing variations				301.000
C) Decreasing variations				609.637
C1. Exposures to performing loans				
C2.Exits to other categories of non-performing loan exposures				
C3. Cancellations				
C4. Receipts / refunds				
C5 .Realizations for disposals				
C6. Other decreasing variations				609.637
D) Final gross exposure as of December 31, 2024				52.695
' - of which for interest on arrears				

The table shows the movements during the year on a current account held with a local bank. Increases of €301,000 and decreases of €609,637 were recorded, bringing the balance at 31 December 2024 to €52,695.

Item 90 "Intangible assets"

The movement in the item during the year is shown in the following table.

Table 7.1: description and movement of item 90 "intangible assets"

Annual variations	31.12.2024	Financial Leasing	of which assets under construction	Assets pending lease termination	Of which for tenant default	Assets available from loan recovery	Of which assets available for extinction of loan by settlement agreement	Goodwill	Establishment expenses	Other intangible assets
A. Initial existences	8.527								8.527	
B. Increases	-								-	
B1. Purchases										
B2. Value recovery										
- of which by credit rating										
B3. Revaluations										
B4. Other increases										
C. Decreases	2.842								2.842	
C1. Sales										
C2. Value adjustments										
- of which depreciations	2.842								2.842	
- of which permanent impairments										
- of which by credit rating										
C3. Other decreases										
D. Closing inventory	5.685								5.685	-

No investments were made during 2024; therefore, the table above only shows decreases due to amortisation.

Table 7.2: details of item 90 "intangible assets"

Categories/values	31.12.2023			31.12.2022		
	Purchase price/ Production cost	Book value	Fair value	Purchase price/ Production cost	Book value	Fair value
A. Financial leasing						
- of which assets under construction						
B. Assets pending lease termination						
- Of which for tenant default						
C. Assets available from loan recovery						
- Of which assets available for extinction of loan by settlement agreement						
D. Goodwill						
E. Establishment expenses	14.211	8.527		14.211	11.369	
F. Other intangible assets						
Total	14.211	8.527		14.211	11.369	

Item 100 " Property, plant and equipment"

The movement in the item during the year is shown in the following table.

Table 8.1: description and movement of item 100 "property, plant and equipment"

Annual variations	31.12.2024	Financial Leasing	of which assets under construction	Assets pending lease termination	Of which for tenant default	Assets available from loan recovery	Of which assets available for extinction of loan by settlement agreement	Lands and Buildings	Other tangible fixed assets
A. Initial existences	1.275								1.275
B. Increases	774								774
B1. Purchases	774								774
B2. Value recovery									
- of which by credit rating									
B3. Revaluations									
B4. Other increases									
C. Decreases	380								380
C1. Sales									
C2. Value adjustments									
- of which depreciations	380								380
- of which permanent impairments									
- of which by credit rating									
C3. Other decreases									
D. Closing inventory	1.669								1.669

During 2024, there were increases of €774.00 due to the purchase of electronic office equipment and decreases due to the normal depreciation rates for the assets in question.

Table 8.2: details of item 100 "property, plant and equipment"

Categories/values	31.12.2024			31.12.2023		
	Purchase price/ Production cost	Book value	Fair value	Purchase price/ Production cost	Book value	Fair value
A. Financial leasing						
- of which assets under construction						
B. Assets pending lease termination						
- Of which for tenant default						
C. Assets available from loan recovery						
- Of which assets available for extinction of loan by settlement agreement						
D. Lands and buildings						
E. Other intangible fixed assets	2.274	1.669		1.500	1.275	
Total	2.274	1.669	-	1.500	1.275	-

Item 130 "Other assets"

Table 11.1: composition of item 130 'Other assets'		
Other assets:	31.12.2024	31.12.2023
Guarantee margins		
Premiums paid for options		
Other:	218	8
- Of which different borrowers		
- of which other:	218	8
Tax credits	10	
Advance payment suppliers	208	
		8
TOTALS	218	8

The item consists of tax receivables of €10 and receivables from suppliers of €208.

Item 140 " Accrued income and prepaid expenses "

Table 12.1: composition of item 140 'Accrued income and prepaid expenses'		
Description	31.12.2024	31.12.2023
Accrued income		
Total accrued income	-	-
Prepaid expenses	689.409	331.163
Software license	685.770	
Rent	3.243	
Other	396	
Total prepaid expenses	689.409	331.163
Total Accrued income and prepaid expenses	689.409	331.163

Prepaid expenses mainly consist of Finastra software licences for €685,770 and rental expenses for €3,243.

Liabilities and Shareholders' equity

Item 40 "Other liabilities"

Table 16.1: composition of item 40 'Other liabilities'		
Other Liabilities:	31.12.2024	31.12.2023
Guarantee margins		
Awards received for options		
Notes and accounts receivable		
Other	505.230	435.125
- of which other creditors:	292.935	275.244
Debt for shareholder loans	242.935	225.244
Third-party financing	50.000	50.000
- of which other:	212.296	159.881
Suppliers and invoices to be received	179.925	126.081
Tax Office	827	2.430
Other debts	31.544	31.370
TOTALS	505.230	435.125

The item Third-party financing refers to a company controlled by the majority shareholder.

Item 60 " Severance pay "

Table 18.1: movement of item 60 'End-of-employment indemnity'		
	31.12.2024	31.12.2023
Initial existences	720	-
Increases	1.004	720
- Provisions	1.004	720
- Other variations		
Decreases	720	-
- Uses	720	
- Other variations		
Final existences	1.004	720

The item shows increase of €1,004 due to provisions for employee severance indemnities relating to 2024 and decreases due to the settlement of employee severance indemnities accrued for 2023, as these are settled annually.

Table 18.2: composition of item 70 'Provisions for risks and charges'		
Composition	31.12.2024	31.12.2023
Retirement funds and similar obligations		
Tax provision		
Other provisions	719	-
-Vacation fund	719	
Totale	719	-

Item 110 “Subscribed share capital”

Table 19.3: composition of item 110 'Subscribed share capital'

Typology of shares	31.12.2024			31.12.2023			Absolute variation	Variation %
	Shares number	Unitary value	Total value	Shares number	Unitary value	Total value		
Ordinary	50.000	10	500.000	50.000	10	500.000	-	-
Totals			500.000			500.000	-	-

Item 160 “Profit (Loss) for the year”

Table 19.8: composition of item 160 'Profit (loss) for the period'

Categories/values	31.12.2024	31.12.2023	Absolute variation	Variation %
Profit (loss) for the financial year	- 257.105	- 233.309	23.796	10,20%

Table 19.9: "variations in shareholders' equity over the past four years"

Balances to time:	Subscribed share capital	Subscribed and unpaid-up share capital	Issue surcharges	Ordinary or legal reserve	Other reserves	Net Income (+/-)	Retained profits/losses (+/-)	General financial risk provision	Revaluation reserve	Total
31.12.2021										
31.12.2022	500.000					-113.256				386.744
31.12.2023	500.000					- 233.309				266.691
31.12.2024	500.000					- 257.105				242.895

Statement of Movements in Shareholders' Equity

Table 19.10: statement of changes in shareholders' equity

Categories/Values	Initial existences	Allocation of prior year's results		Changes during the financial year				Net equity 31-12-24
		Reserves	Dividends and other allocations	Reserve changes	Issue of new shares	Changes in shareholdings	Other variations	
Subscribed and paid-up share capital	500.000							
- Ordinary shares	500.000							500.000
- Other shares								
Issue premiums								
Reserves								
- ordinary or legal								
- others								
Profit (loss) for the year	233.309							257.105
General financial risk fund								
Revaluation reserve								
Net equity	266.691	-	-	-	-	-	-	242.895

The operating loss for 2023 was covered by waiving shareholder financing, as approved on 28 May 2024.

Section C – Information on income statement

Item 10 " Interest and similar income "

Table 22.1: detail of item 10 "Interest income and similar revenues"				
Categories/Values	31.12.2024	31.12.2023	Absolute variation	Variation %
A) On Treasury securities and other financial instruments eligible for refinancing with central banks				
A1. Treasury securities and other similar financial instruments				
A2. Other financial instruments eligible for refinancing at central banks				
B) On receivables from credit entities	16	45	-29	-64,44%
B1. Active bank accounts	16	45	-29	-64,44%
B2. Deposits				
B3. Other receivables				
- of which on leasing operations				
C) On receivables from clients				
C1. Active bank accounts				
C2. Deposits				
C3. Other receivables				
- of which on leasing operations				
D) On bonds issued by credit entities				
D1. Deposit Certificates				
D2. Bonds				
D3. Other financial instruments				
E) On client debt securities (issued by other providers)				
E1. Bonds				
E2. Other financial instruments				
Totals	16	45	-29	-64,44%

Item 50 "Passive Commissions"

Table 24.2: details of item 50 "Passive commissions"				
Categories/Values	31.12.2024	31.12.2023	Absolute variation	Variation %
a) Warranties received				
b) Credit derivatives				
c) Investment services:				
1. Receiving and transmitting orders (lett. D1 All.1 LISF)				
2. Executing orders (lett. D2 All.1 LISF)				
3. Management of portfolios of financial instruments (lett. D4 All.1)				
- own portfolio				
- third-party portfolio				
4. Placement of financial instruments (lett. D5 e D6 All.1)				
d) Off-site offering of financial instruments, products and services				
e) Cash collection and payment services				
f) Commissions to distributors				
g) Electronic money				
h) Credit/debit card issuing/management				
i) Other services	1.248	594	655	110,28%
Totals	1.248	594	655	110,28%

Item 90 "Administrative expenses"

Table 27.1: Number of employees by category and employee cost

Categories/Values	Average at 31.12.2024	Employee cost at 31.12.2024	Number at 31.12.2024	Average at 31.12.2023	Employee cost at 31.12.2023	Number at 31.12.2023
a) Executives						
b) Management employees						
c) Remaining staff						
1. Employees	1,00	17.147	1	0,58	11.746	1
2. other employees						
Totals	1	17.147	1	0,58	11.746	1

Table 27.2: Details of the subitem b) "Other administrative expenses"

Categories/Values	31.12.2024	31.12.2023	Absolute variation	Variations %
Other administrative expenses:	135.203	93.885	41.318	44,01%
- of which fees to auditing company	20.885			
- of which for services other than auditing of annual report			-	
- of which others:	114.318	93.885	20.433	21,76%
SERVICES	28.126	13.818	14.308	103,55%
TECHNICAL CONSULTING FROM RESIDENTS	8.000	2.500	5.500	220,00%
LEGAL AND ADMINISTRATIVE CONSULTING FROM RESIDENTS	15.169	15.088	82	0,54%
COMMERCIAL CONSULTING FROM RESIDENTS	-	100	-100	-100,00%
TECHNICAL CONSULTING FROM NON-RESIDENTS	13.600	11.900	1.700	14,29%
LEGAL AND ADMINISTRATIVE CONSULTING FROM NON-RESIDENTS	22.000	25.732	-3.732	-14,50%
LEGAL AND ADMINISTRATIVE CONSULTING AGREEMENT	-	1.580	-1.580	-100,00%
COMMERCIAL CONSULTING AGREEMENT	7.020	3.282	3.738	113,89%
OTHER COSTS	20.403	19.885	517	2,60%

It should be noted that the audit firm's remuneration also includes part of the 2023 remuneration amounting to €6,379.

The following table shows the fees for Corporate Governance and the Board of Statutory Auditors.

Table 27.3: fees

	31.12.2024	31.12.2023	Absolute variation	Variation %
a) Directors	71.000	94.700	-23.700	-25%
b) Statutory Auditors	28.000	28.000	-	-
c) Executives				
Totals	99.000	122.700	-23.700	-19,32%

Items 100-110 "Value adjustments on intangible and tangible fixed assets"

Table 28.1: details of items 100-110 "Value adjustments on intangible and tangible fixed assets"

Categories/Values	31.12.2024	31.12.2023	Variazione assoluta	Variazione %
Value adjustments on intangible assets:	2.842	2.842	-	-
- of which on leased assets				
- of which on other intangible assets	2.842	2.842	-	-
Value Adjustments on tangible fixed assets:	380	225	155	69%
- of which on leased assets				
- of which on other tangible assets	380	225	155	69%
Totals	3.222	3.067	155	69,00%

Item 190 "Extraordinary income" and Item 200 "Extraordinary expenses"

Table 29.1: details of items 190-200 "Extraordinary income and expenses"				
Items/Values	31.12.2024	31.12.2023	Absolute variations	Variation %
Extraordinary income				
	0	0	0	
Total extraordinary income	0	0	0	
Extraordinary expenses				
Penalties	112	0	0	100,00%
Undocumented costs	24	0	0	100,00%
Out-of-period expenses	1.167	1.362	195	-14,33%
Total extraordinary expenses	1.303	1.362	195	-4,38%

Section D – Other information

PRUDENTIAL SUPERVISORY

At 31 December 2024, the minimum amount of regulatory capital complies with the provisions of Article VII.II.6 of BCSM Regulation No. 2020/04.

For the purposes of determining the capital requirement for the payment services that the Company will provide, specific authorization has been requested from the BCSM to adopt calculation method 'A'.

Table 31.1: Prudential aggregates	
Categories/Values	31.12.2024
Regulatory Capital	237.211
A1. Base Capital	237.211
A2. Additional capital	-
A3. Elements to be deducted	-
A4. Regulatory capital	237.211
Risk assets and supervisory ratios	
B1. Risk-weighted assets	
C1. Regulatory capital/risk-weighted assets	
Supervisory prudential requirements	
Requirement for payment services provided (Art. VII.III.2 of Regulation 2014-04)	-
Total capital requirement (Art. VII.III.8 of Reg. 2014-04)	-

Table 33.1: time distribution of assets and liabilities														
Items / Remaining terms at 31.12.2024														
Fixed Rate (F) / Variable Rate (V)	Total	In sight	Up to 3 months	Over 3 months to 6 months	Over 6 months to 1 year	Over 1 year to 18 months		Over 18 months to 2 years		Over 2 years to 5 years		Over 5 years		Deadline not assigned
						F	V	F	V	F	V	F	V	
1. Assets														
1.1 Treasury securities and other financial instruments eligible for refinancing with central banks														
1.2 Receivables from credit entities	52.695	52.695												
1.3 Receivables from clients														
1.4 Bonds and other financial liabilities instruments														
1.5 Off-balance sheet transactions	-	-												
2. Liabilities														
2.1 Liabilities to credit entities	-	-												
2.2 Liabilities to clients														
2.3 Liabilities represented by financial instruments:														
- Bonds														
- Deposit Certificates														
- Other financial instruments														
2.4 Other liabilities: outstanding paychecks and assimilated securities														
2.5 Subordinated liabilities														
2.6 Off-balance sheet transactions														

CASH FLOW STATEMENT

The cash flow statement occurring during the reporting year was prepared by following the indirect method, whereby flows from operating activities are represented by the result for the year adjusted for the effects of non-cash transactions.

Cash flows are divided into those arising from operating activities (income management), those generated by investing activities, and those produced by financing activities.

(Statement of cash flows)		FY 2024	FY 2023
CASH AND EQUIVALITES FROM CREDIT ENTITIES			
Initial existences		361.563	502.216
Operating Activities			
Profit (Loss) for the year	- 257.105	- 233.309	
Depreciation of intangible assets	2.842	2.842	
Depreciation of tangible fixed assets	380	225	
Provision for severance pay	1.004	720	
Provisions for risks and charges			
Variation in general financial risk fund			
Increase other activities	- 210	- 5	
Increase other liabilities	70.105	205.413	
Increase in prepaid expenses	-358.246	-228.295	
Decrease in deferred income			
Use of provision for severance pay			
Use of provision for risks and charges			
A) Cash flows from operating activities	-541.229	-252.409	
Investing activities			
Decrease in shares, units and other capital financial instruments			
Purchase of equity investments			
Purchase/ sale of intangible assets			
Purchase of tangible fixed assets	-774	-1.500	
B) Cash flow from investing activities	-774	-1.500	
Financing activities			
Increase in liabilities to credit entities			
Share capital increase			
Issue surcharges			
Provisions to capital reserves			
Coverage of loss for the year	233.309	113.256	
C) Cash flow from financing activities	233.309	113.256	
Total Cash flow (A+B+C)		-308.694	-140.652
CASH AND EQUIVALITES FROM CREDIT ENTITIES			
Final existences		52.869	361.563