SOLUTIONS CAPITAL MANAGEMENT SIM S.P.A.

Consob Resolution no. 17202 of 2 March 2010 - Member of the National Guarantee Fund

Registered office in Milan - Via Gonzaga, 3

Resolved Share Capital EUR 2.934.264, subscribed and paid-up EUR 2.234.264

Registered with the Chamber of Commerce, Industry, Craft and Agriculture of MILAN

Tax Code and Company Register no. 06548800967

VAT number: 06548800967 - Rea (Economic and Administrative Index) no.: 1899233

PORT ON OPERATIONS AS AT 31 DECEMBER 2024

Dear Shareholders,

the financial statements as at 31 December 2024, which we submit for your approval, close with a positive result of Euro 415.468, compared to a negative result of Euro 260.922 in the previous year. The capital endowment is higher than required by the Supervisory Authorities.

The Company has prepared the Financial Statements in application with Italian Legislative Decree no. 38 of 28 February 2005 and in accordance with the international accounting standards IAS/IFRS, as interpreted by the International Financial Reporting Interpretation Committee (IFRIC) and adopted by the European Union.

Macroeconomic scenario and financial market performance

2024 has been positive overall for financial markets, with a mix of opportunities and challenges arising from macroeconomic and geopolitical dynamics.

Major global economies have shown signs of slowing down, while central banks have begun a process of easing the restrictive monetary policies adopted in previous years to combat inflation. The data provided by the Bank of Italy show that Italy has kept modest growth, with a stabilization of inflation rates and a gradual recovery in domestic demand. Monetary policies played a crucial role in the performance of financial markets in 2024. The U.S. Federal Reserve cut interest rates in September in response to a slowdown in inflation and the labor market. The European Central Bank has also adopted a less restrictive approach, maintaining a balance between controlling inflation and the need to support economic growth. In Europe, political tensions in France have led to increased volatility in financial markets, with a widening spread between French and German government bonds. In Italy, on the other hand, the yield differential between BTPs and Bunds recorded a temporary increase before stabilizing at lower levels than in April. The euro-area economy showed moderate growth in the second quarter of 2024, mainly driven by the tertiary sector. However, disinflation has eased, with a slowdown in price reductions, particularly in the services sector. Forecasts indicate inflation of 2.5% for 2024, with a progressive reduction to 2.2% in 2025 and 1.9% in 2026.The economic outlook for Italy points to GDP growth of 0.6% for 2024, with an acceleration expected for the following two years. Household consumption and exports are expected to recover thanks to the increase in purchasing power and the improvement in international trade conditions. The Harmonized Index of Consumer Prices (HICP) increased by 1.4% compared to December 2023, confirming the estimates. Its average annual change in 2024 was +1.1 percent while in the following two years it is estimated below 2 percent. The Italian banking sector continued to show signs of stability, supported by a prudent lending policy and an improvement in asset quality. The Bank of Italy has highlighted how the rate of non-performing loans has remained at low levels, thanks also to the adoption of measures aimed at preventing credit risk.

Italian financial markets performed positively in the second half of the year, supported by the improvement in the macroeconomic environment and the reduction of political uncertainty. The FTSE MIB index showed a growth trend, with positive performances in the energy and technology sectors. Looking ahead, forecasts for 2025 point to an improvement in global economic growth, with a gradual return to financial market stability. Monetary policies will continue to play a key role, with central banks committed to balancing the need to support growth with maintaining price stability. The outlook for Italy remains positive, with an acceleration in economic activity supported by a recovery in investment and the implementation of the reforms envisaged by the National Recovery and Resilience Plan (PNRR). However, some challenges remain, including the need to improve productivity and address global geopolitical uncertainties.

TREND OF MAIN STOCK INDICES

The chart shows that 2024 has been a good year for financial markets, with US equities posting notable gains, driven by technology stocks and the growing interest in artificial intelligence. European equities also performed well, albeit influenced by domestic political factors. On the bond front, yields fell towards the end of the year, while the dollar showed mixed performance against the euro. Future forecasts point to a gradual economic recovery in the Eurozone and a further decline in inflation, with monetary policy continuing to be a crucial element in shaping the performance of global markets. Despite the main central banks' ongoing rate hike that began in 2022, financial markets had a good year in 2024. The tightening of monetary policies, with the ECB rate on the main refinancing operations reaching 4.5% and the Fed's Upper Bound rate at 5.5%, had effects on containing inflation, which tended to decrease during the year.

	Security	Currency	Price Change	Total Return	Difference	Annual Eq
1)	SPX Index	USD	23.84%	25.52%	-1.46%	25.37%
2)	NDX Index	USD	25.98%	26.99%	--	26.82%
3)	SX5E Index	EUR	7.69%	11.29%	-15.69%	11.23%
4)	FTSEMIB Index	EUR	12.63%	18.93%	-8.06%	18.82%
5)	HSI Index	HKD	17.56%	22.79%	-4.20%	22.65%
6)	NKY Index	JPY	19.22%	21.27%	-5.72%	21.14%

** Source: 'Bloomberg'*

Among the best indices, the Nasdaq recorded a performance of +26%, followed by Nikkei 225 (+19%) and FTSE MIB (12.6%).China's Hang Seng index is also positive, with a performance of more than 19%.

Mercati obbligazionari	2024	Yield
US HY in USD	8,19%	7,49%
Europe HY	8,22%	5,70%
US IG in USD	2,13%	5,33%
Europe IG	4,74%	3,18%
Gov EM in USD	7,03%	7,07%
Gov EM in local currency	1,68%	3,59%
EM corporate in USD	6,95%	6,62%

Tassi Governativi	2024	Variazione YTD
10yr Germany	2,364	-34
10yr Italy	3,521	-17
10yr Spain	3,057	8
10yr Portugal	2,842	22
10yr US	4,572	69

Considerations

At the end of each year, we wonder about the future developments of the financial markets and make prophecies about what the performance of the various asset classes will be. The main theme for the near future will be the dynamics surrounding Trump's election, as we learn about the policies that will be implemented in terms of taxes and duties and their impact on macroeconomic issues such as inflation. The outlook for the euro-area points to a recovery in economic growth, after a long period of stagnation. Economic activity is expected to accelerate to 1.5% in the EU and 1.3% in the euro area in 2025, and to rise again to 1.8% and 1.6% respectively in 2026. On the inflation side, on the other hand, a gradual decline to 2.1% in 2025 and 1.9% in 2026 is expected in the eurozone.

The Fed's evolution of monetary policy will undoubtedly remain a significant issue, given the statements made at the last December meeting. In fact, inflation forecasts indicate a return to the 2% target only in 2027, with the PCE expected at 2.5% in 2025 and 2.2% in 2026.

Evolution of the regulatory environment

In 2024 the activity of defining operational processes aimed at data acquisition continued, as part of the analyses aimed at defining the degree of sustainability of customer portfolios. It should also be noted that during the year the Company undertook the process of adapting to the DORA regulatory corpus aimed at mitigating IT risks, which is still ongoing.

Sustainability

The company has further developed its sustainable commercial offering, taking over the delegated management of the "SARA SCELTA PIU' SOSTENIBILE" insurance fund and thus enriching the range of insurance products with a financial content issued by leading companies distributed by SCM.

SCM, in compliance with the Sustainability Policy adopted, classifies the financial instruments that make up the portfolios, making it possible to highlight, on the basis of the sustainability indicators of each financial instrument that integrates the public information relating to financial products, whether the portfolio can be considered "sustainable" and whether attention to one or more sustainability factors prevails. The process aimed at acquiring data relating to the integration of climate and environmental risks has been launched, both with regard to third-party portfolios and with regard to the activity of the SIM. An initial set of data, acquired from public sources, will be integrated into the information systems used by the Company, while the mapping of the additional categories of information that will be used for the purposes of assessing the impact of climate and environmental risks is being defined. The mapping of operational risks will also be updated to include climate-related and environmental risks.

Dora

In 2024, the Company launched the analysis process aimed at defining the actions necessary to adapt operations to the provisions of the new European regulatory body "DORA" (i.e. Digital Operational Resilience Act) aimed at regulating corporate conduct and procedures with objectives of increasing resistance to cyber-attacks and cyber security in general.

Similarly to the provisions of the GDPR on data protection, DORA, in fact, consolidates and updates the rules on risk management in the ICT (Information, Communication and Technology) sector and the management of IT risks in financial services. The application of these rules makes it possible to mitigate the risks arising from the digital transformation of the sector and to promote cyber resilience in the financial services ecosystem by setting up compliance with uniform requirements regarding the security of networks and information systems supporting business processes. The application of the DORA includes, by way of example, the management of risks in the ICT sector, the reporting of major incidents related to the ICT field, the execution of tests on digital operational resilience as well as the sharing of information, measures and requirements related to the use of third-party services in the ICT sector.

To implement the control measures required by law, the Company has appointed the ICT Manager, assigning the appointment to the Risk Manager, the person who is institutionally entrusted with the management of operational risks, including risks related to information security. The activity of mapping, supervision and control of IT risks is conducted by the Risk Manager with operational and advisory support, on an ongoing basis, from the Legal and Compliance function, as well as from the Organization & IT function.

Activities conducted and situation of the Company

In 2023, ordinary, extraordinary and consolidation activities continued - both with regard to the information system and with regard to the management of internal and external processes - of corporate life.

New contracts

The company continued the development of the "onboarding" part of the Guardian Web portal with the aim of covering insurance consultancy, in addition to the core activities already developed. The registration of individuals subscribing to policies has been integrated into the Position Keeping system, enabling online compilation of the master data and digital signatures by both the customer and the advisor. The integration of the insurance part will make it possible to digitized the initial phase of the relationship with customers, even if they only own an insurance product, and will make the control phase by the back office efficient, avoiding paper-based procedures and double entries in the information system, a source of potential errors. This innovation will also serve to define insurance adequacy, replicating what has been done so far in a disjointed manner by insurance counterparties.

ESG

The company continued to check developments in ESG orientations, with a particular focus on the progress of the application solutions previously requested. The decision was to operate solely through the use of ETFs/ETCs in the portfolios covered by the service, with SFDR classification 8 and 9 and algorithms were defined to carry out a specific "marking" of financial instruments based on information from a qualified data provider. Specific controls, created in collaboration with the Risk Manager, have been further refined to verify the adequacy of the ESG guidelines to regulatory requirements and monitor the universe of securities with ESG marking.

SCM Consultant reserved area

The company has developed a web portal for its consultants that allows them to have an overview of their portfolio, as well as a series of key features for site operations. The Dashboard section is where the consultant has access for the first time, which summarizes the key KPIs of the portfolio and the primary business data. By using the menu tree, it is possible to analyze the portfolio by service and customer. A series of functions have also been created in the portal that allow you to manage specific activities (e.g. reporting activities), requests to be made to the Management and a document section that includes communications from the Company, as well as documents essential for the consultant's operations. The intervention has made it possible to automate some processes with the aim of tending to eliminate paper documentation. To help the work of the consultant, a FAQ section has also been created, which includes answers to the most frequent questions that come from the sales network. Finally, a ticketing section has been provided to optimize the resolution of operational problems regarding the various services provided by the Company. This tool allows to facilitate the dialogue with the back office and monitor the time of resolution of problems, ensuring greater transparency and timeliness in the assistance.

DATA WAREHOUSE AND COMPANY SOFTWARE

Development was conducted in 2024, with a particular focus on producing reports and controls in the Operations area, within the Risk Management and reporting area. The company information system has been enriched with the addition of a new database, functional to the use of the business intelligence platform on which management control is engaged to structure automatic dashboards that can replace part of the reports updated manually so far. The Risk Management database has been further refined with the addition of new control reports on returns and on the verification of limits. The company Intranet has been enhanced with the addition of new features to serve back office and administration. The IT department has updated, finally, the automations relating to checks, reports, data import and export, removing disused tools and creating new ones, especially for the Risk and IT world.

Guardian

The Guardian Asset Management software, provided by the Swiss company SWISS-REV SA, has been enhanced – both by the supplier and by specific requests of the company. Among the various achievements, the following should be noted:

- Development of the insurance module and implementation of the onboarding process for the relevant customers of the sub-fund. This innovation will lead to the elimination of manual back office activities in the initial phase of the relationship with the insurance customer and will improve the adequacy process, which, in the long run, can be shared with companies in order to avoid double attribution phenomena;
- improvement of the web interface for end customers;
- improvements in the system for creating internal limits;
- optimization of the automatic reporting system, with scheduling on a single position;
- fully customizable reporting system;
- refinement of the development of ideal portfolios/moving weight model.

Currently, a new section of the application is being studied that allows, with the help of external information sources, to analyze the portfolios of prospective customers and to formulate alternatives in line with the profiling of the subjects.

Adoption of an Advanced IT Security System

Panda Adaptive Defense 360 advanced protection software has been bought and installed on all company PCs assigned to employees and on the server. This system allows cyber risks to be analyzed and blocked in real time, ensuring a high level of proactive security against threats such as malware, ransomware and other vulnerabilities. To increase the security of our institutional site, the hosting migration was conducted. The new provider guarantees higher standards of security and performance, thanks to the adoption of a CDN (Content Delivery Network) that replicates content on multiple global nodes, improving speed and redundancy. At the same time, a strategy of isolating DNS from the hosting infrastructure was implemented, moving it to a new provider. This choice increases operational resilience, reducing the risk of downtime in the event of problems on the main hosting and ensuring greater autonomy in the management of DNS records, regardless of any criticality of the hosting platform.

Hardware Infrastructure Renewal

During 2024, the process of renewing the company laptops assigned to employees was started, equipping them with new devices with Windows 11 Pro. This initiative ensures high standards of performance, security and compatibility with the latest business technologies, improving the work experience and overall productivity of staff.

Commercial activity

During 2024, the company launched a series of commercial initiatives aimed at consolidating its position in the market and optimizing the integration of the new insurance network. The main OBJECTIVE WAS TO ENSURE AN EFFICIENT TRANSITION, IMPROVE THE OFFER TO CUSTOMERS AND MAXIMIZE THE SYNERGIES RESULTING FROM THE INCORPORATION OF THE NEW NETWORK.

INSURANCE CONSULTANTS NETWORK INTEGRATION

The integration of the insurance network was a key pillar of the 2024 business strategies. Key actions taken include:

- **Rationalization of the infrastructure**: review of operational processes to ensure efficient management and better coordination between the different operating units.
- **Expansion of the commercial offer**: introduction of new services and products, based on the opportunities deriving from greater territorial coverage.
- **Optimizing the customer experience**: improving customer service and implementing digital tools for a smoother and more personalized interaction.
- **Communication and branding strategies**: definition of a targeted communication plan to promote awareness of the new network and build customer loyalty.

INSURANCE BUSINESS DEVELOPMENT

In 2024, the company strengthened its position in the insurance sector through the signing of important commercial agreements with leading companies in the sector:

- **CNP**: implementation of "Ramo I" solutions, expanding the offer of insurance products with capital-guaranteed investment solutions.
- **Athora**: development of four internal funds with management delegation entrusted to SCM SIM, allowing customers a wide range of tailor-made investment options.
- **Dual Italia**: introduction of solutions specialized in Third Party Liability and Cybersecurity, sectors of growing importance within the insurance landscape.

These agreements have made it possible to diversify the company's offer, improving the commercial proposal and responding to the needs of customers who are increasingly attentive to risk management.

Network Development and Human Resources

A division dedicated to network development was established in 2024 to support the company's growth. A long-term manager in the sector has been in charge of this new unit, with a colleague who is dedicated to supporting the recruitment process and managing corporate HR needs.92 financial advisors were contacted in the first three months of operation, and by the beginning of January, four of them were officially placed. 2025 will be the year in which this initiative can fully unfold its effects, with a further strengthening of the network and the consolidation of new entries.

Training

In 2024, the company paid particular attention to the training of its resources, with the aim of ensuring constant professional updating and improving the quality of the service offered. Three distinct paths have been structured:

- **Development of technical skills**, through a training course directed by a full professor of economics of financial intermediaries. The cycle was divided into 6 days aimed at developing and deepening macroeconomic issues.

- **Interpersonal:** course, divided into 5 days, conducted by a leading company in Italy in managerial training and motivation.
- **Wealth Management:** in-depth study of succession, family structure and taxation issues with a company specialized in the sector.

The overall commitment to these training activities, which was 195 days/man, has contributed to raising the level of internal skills and strengthening the company's competitiveness in the market.

Results

Thanks to the initiatives implemented, the company has achieved the following results as early as 2024:

- **Increased customer base**: the integration of the insurance network has made it possible to reach new market segments, increasing the overall share of customers.
- **Increased revenue**: new offerings and operational rationalization contributed to year-on-year revenue growth.
- **Increased operational efficiency**: the reorganization of resources has reduced costs and improved productivity.
- **Positive feedback from customers**: satisfaction surveys have shown an improvement in the perception of the service and in the quality of the offer.

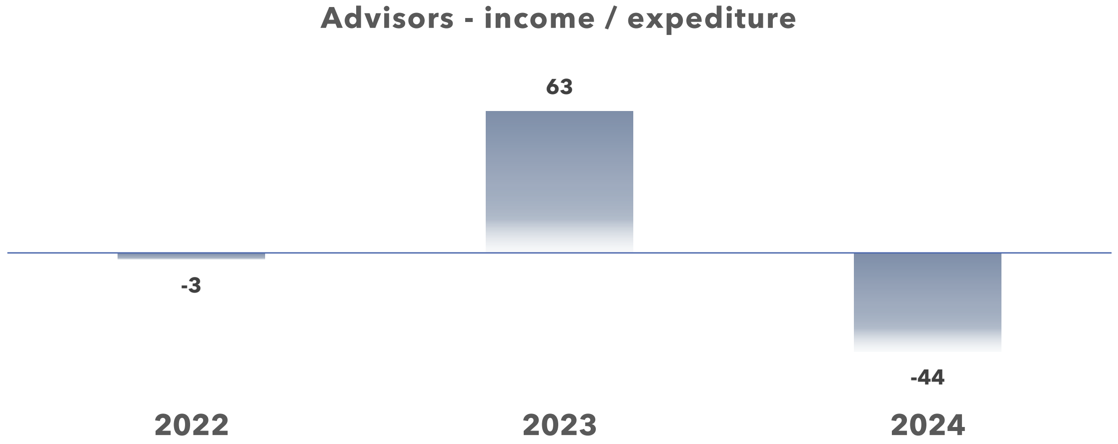
2025 Outlook

With an eye on the future, the company plans to further consolidate the results achieved by developing the infrastructure to ensure greater capillarity of the service. Other elements will include technological innovation with the introduction of advanced digital tools, the expansion of the offer with new customized solutions for customers, and loyalty strategies to maintain a high level of customer satisfaction and engagement. The integration of the insurance network has been a complex but highly strategic challenge for the company. The commercial initiatives undertaken in 2024 have made it possible to achieve positive results, laying solid foundations for the future development and sustainable growth of the business.

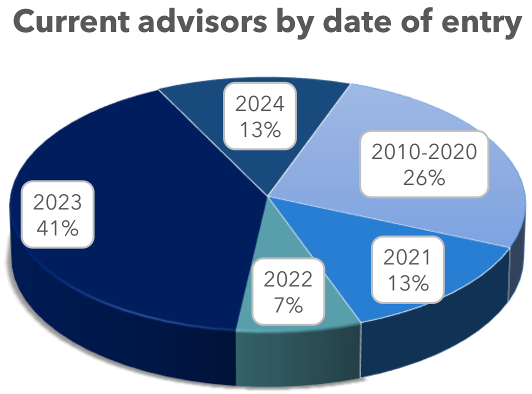
Operating data

As at 31 December 2024, the Company's sales network consists of **54** consultants, including **28** financial advisors and **26** insurance advisors.

The chart below shows the trend of the network and the number of advisors who joined and left over the last three years.



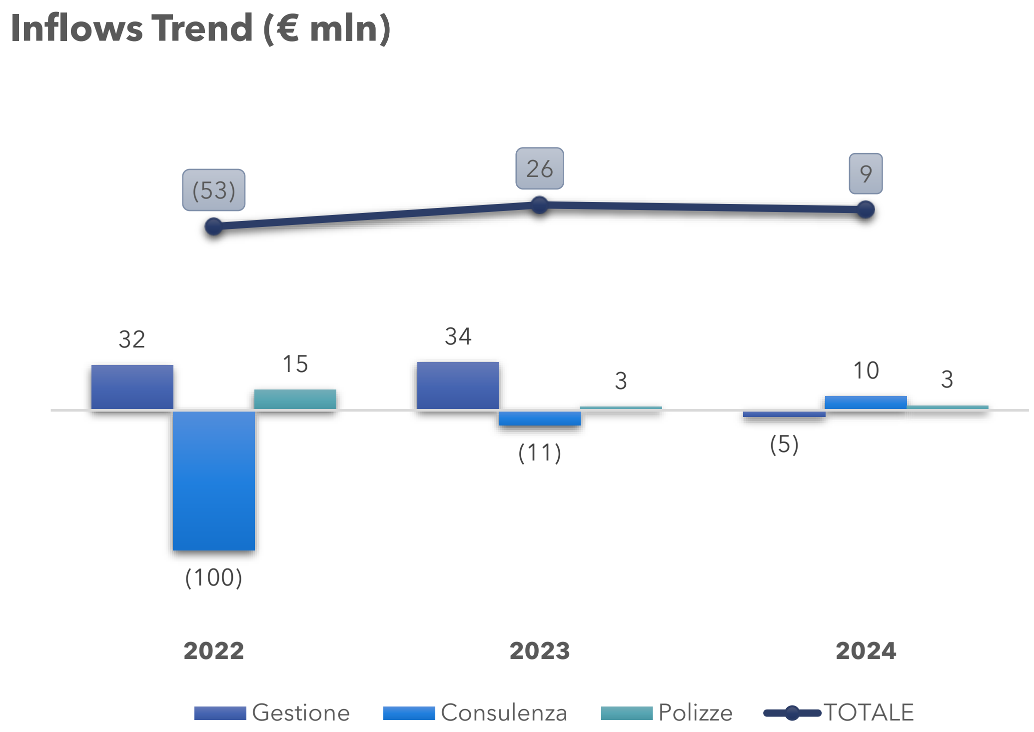
The significant outflow of resources in 2024 is motivated by the rationalization action of the insurance division, which led to the suppression of inactive resources. Commercial networks heavily rely on seniority as a factor in turnover. As can be seen from the chart below, which shows the breakdown of the network by year of entry, 61% of current consultants have joined the network in the last three years.



In 2024, positive net inflows of approximately EUR 9 million were recorded. The most important change concerned the investment advisory sector, which recorded a positive result of approximately €10 million. On the other hand, premiums were slightly negative in asset management (-€4.6 million).

The following table shows the Deposits trend in the last three years.

NET INFLOWS(€. 000)	2022	2023	2024
Management	32.048	34.233	(4.566)
Advisory Services	(100.054)	(10.762)	9.888
Insurance Policies	14.574	2.530	3.407
TOTAL	**(53.432)**	**26.001**	**8.728**



As at 31 December 2024, total assets amounted to approximately EUR **947** million.

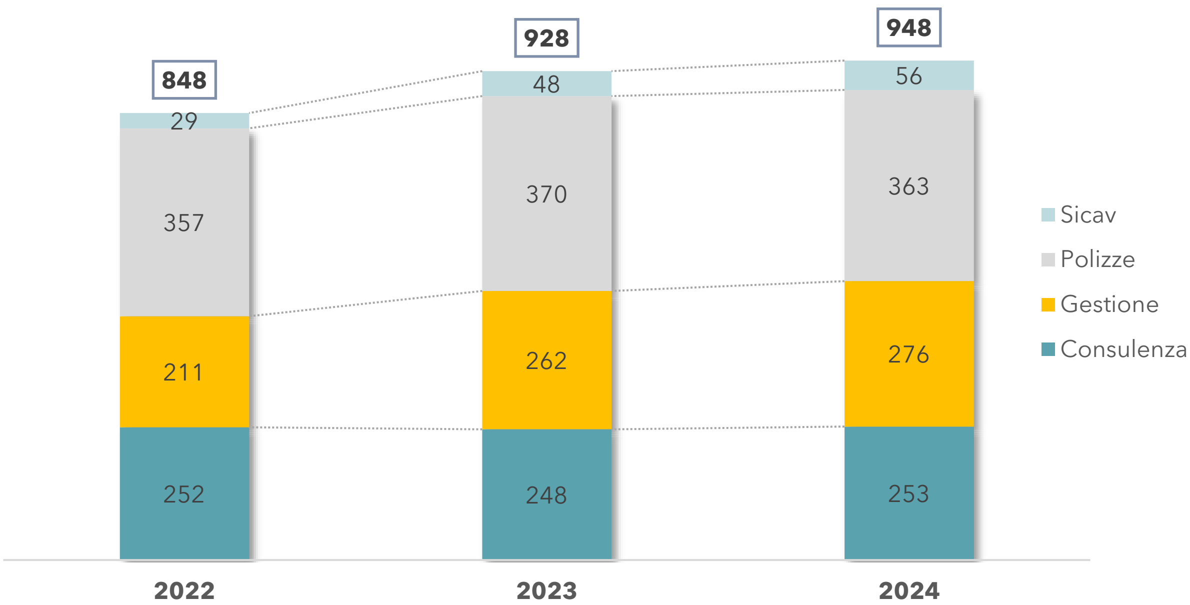
In particular, assets under management amounted to **€276** million, those in general advisory and investment matters amounted to **€253** million.

The following table and the graph show the evolution of the.

ASSET UNDER CONTROL (€.000)	2022	2023	2024
Management	211.055	262.358	275.848
Advisory Services	251.589	247.986	253.269
Insurance Policies	356.512	369.589	362.783
Sicav	28.915	47.614	55.629
TOTAL	**848.070**	**927.548**	**947.529**

** The SCM Stable Return Sicav is used as part of the portfolio management service.*

Asset Trend (€ mln)



Asset management

In 2024, both equity and bond markets performed well in 2023.During the year, the major central banks began their monetary easing process. The ECB has cut rates 4 times, bringing the Deposit Facility Rate to 3%. The Fed, on the other hand, inaugurated the start of the rate cut path, with a 50 bps cut in September, with the reference rates at the end of the year in the range of 4.25%-4.50%.On the market side, unlike the previous year, there was a greater dispersion of yields at the sector level. However, the so-called "Magnificent Seven" (Alphabet, Amazon, Apple, Meta, Microsoft, Nvidia, Tesla), taking advantage of the continuous development and strong diffusion of artificial intelligence, have continued to drive and drive the returns of the Wall Street stock markets. Among the other main world indices, the performance of the European stock markets was also positive, where Dax and Ftse Mib (both +18%) were reported, with the German index receiving help from the run of some stocks such as Sap. The equity-based management lines in this market scenario performed exceptionally (Chronos + 25%), with tactical exposure to US equity also playing a role. Lastly, the yields on bonds are excellent, thanks to a precise tactical choice in terms of duration.

Business model

SCM SIM's **business model** is based on the fundamental contribution of financial and insurance advisors, for the development in terms of recruiting and quality of the customer portfolio, to which the increase in the assets under management and consultancy of the SIM is closely connected, and for the selection of customer targets consistent with the business of the Company; the typical customer to whom the SIM service offer is addressed, in fact, has an average asset of over one million euros. SCM's business model is based on the offer of the following services:

a) **portfolio management service**, with the offer of different management lines adapted to the risk profile and needs of customers; the service, inherited from the best Anglo-Saxon tradition, sets up the delegation of management of SCM on individual current accounts in the name of the customer, guaranteeing transparency and maximum security for cross-checking between SIM and Bank; obtaining authorization to hold liquidity and instruments has made it possible to further rationalize the relationship with the client with regard to the provision of the portfolio management service and the reduction of costs borne by the client. In this regard, it should be noted that the aforementioned operating method allows the customer to interface with a single intermediary (the SIM) which plays the dual role of manager and custodian of the liquidity and financial instruments subject to the management service;

b) **investment advisory service**, which consists in the provision of personalized recommendations to the customer, exclusively on the initiative of the SIM through the Investment Area (so-called active advice), regarding one or more transactions relating to a specific financial instrument or financial product or regarding a specific investment service; the choice of securities is made by the Investment Area that transmits it directly to the customer who has, finally, the freedom to execute the order in full at his bank or to execute only a part of it;

c) **generic advisory service**, which concerns financial advice that does not involve the provision of personalized recommendations and is expressed in activities such as the assessment of portfolio risk, the calculation of the VAR, the Asset Allocation of a portfolio by geographical area or by sector of activity and the consequent development of multi-year investment plans by defining only the allocation strategies, exclusively at the level of the type of financial instruments;

d) **placement service**, without irrevocable commitment to the issuer, carried out in compliance with the adequacy assessment;

ancillary service of Distribution of Insurance Products, with the objective of enhancing the overall offering of products and services provided to clients. The distribution carried out by the Company and its employees registered in Section 'E' of the Single Register of Insurance Intermediaries is strictly limited to the placement of standardized insurance contracts.

SCM SIM aims to provide its customers - in the field of generic advisory, also through *partnerships* with specialized professionals - with the following range of services, with the aim of retaining the existing one and, strategically, attracting a new and qualified one:

- assistance and advice to companies on financial structure, industrial strategy and related issues;
- support for M&A activities and extraordinary transactions;
- pension advisory service to optimize solutions for the "*retirement*" phase;
- advisory and planning of generational handover.

Analysis of the main financial statement items

The Company closes the 2024 financial statements with a positive result of EUR **415,468**, with a positive deviation from all the scenarios envisaged in the planning phase, mainly due to an excellent trend in turnover, a favorable trend in the financial markets and, lastly, the constant monitoring of costs. The result is figured out, first of all, by the trend in **commission income**, which exceeded EUR **9.8** million, up **26**% compared to the previous year. Particularly positive results were recorded in all sectors, except for general consultancy. Fees and commissions on asset management increased by **8** per cent, while advisory revenues fell slightly (3%). Fees for general consultancy exceeded €2.6 million, mainly thanks to the contribution of general consultancy operations related to credit reports. Commission **expenses**, which ranged from EUR 3.74 million in 2023 to EUR **4.81** million in 2024, increased slightly more than proportionally to assets (28% vs 26%), due to the different composition of revenues compared to the previous period; a major impact on this item was determined by the entry of new insurance advisors at the end of 2023 who benefited from improved conditions in the onboarding phase. To date, these facilities are outdated. **Brokerage margin**, which reached EUR **4.96** million, was EUR 974 thousand higher compared to the previous year (+24%), as a result of the trend in the commission margin and the average retrocession to the commercial network. **Operating costs**, amounting to EUR **4.26** million, recorded an increase of 10 percent compared to the previous year. Personnel costs showed a change of 7 per cent, following the recognition of non-recurring costs, partly linked to the favorable economic trend. Other administrative expenses recorded a variation of 12%, determined for about a third by non-deductible VAT which weighs over EUR 230 thousand. The main cost items are expenses incurred for the various management platforms, costs related to the activities required for listing, advisory services in the legal, corporate, accounting and commercial areas, as well as network coordination costs. Lastly, with regard to the valuation of financial assets at amortized cost, old non-payable positions were cleaned up and the provision for doubtful accounts was reconstituted, in accordance with the provisions of the accounting standards currently in force, which require receivables to be classified with a correct risk weighting.

Income Statement

	2023	2024	Var	%Var
Interest Margin	(36.647)	(47.622)	(10.975)	30%
Fee and commission income	7.770.101	9.817.250	2.047.149	26%
			-	-
Fee and commission expense	(3.745.586)	(4.807.672)	(1.062.086)	28%
			-	-
Net fee and commission income	4.024.515	5.009.578	985.063	24%
% Pay-out	*-48%*	*-49%*	*-1%*	*2%*
Brokerage margin	3.987.868	4.961.956	974.088	24%
			-	-
Personnel costs	(1.765.620)	(1.880.795)	(115.175)	7%
Other operating costs	(1.971.059)	(2.151.070)	(180.011)	9%
Non-deductible VAT	(154.803)	(230.603)	(75.801)	49%
Total Operating Costs	(3.891.482)	(4.262.468)	(370.986)	10%
			-	-
EBITDA	96.386	699.488	603.102	626%
			-	-
Financial assets measured at amortized cost	(58.950)	(40.112)	18.838	-32%
Amortization and depreciation	(315.334)	(342.998)	(27.664)	9%
Other income and expenses	16.142	181.301	165.160	1023%
			-	-
EBT	(261.756)	497.679	759.435	290%
Result	(260.922)	415.468	676.390	259%

The composition of the Balance Sheet shows an asset mainly characterized by loans to customers for commissions to be collected, largely relating to revenues in the last quarter. Compared to the previous year, the main changes included receivables from customers which, despite the numerous generic advisory transactions completed during the year for reporting tax credit transactions, fell by 16% thanks to the constant monitoring of customer collections. This activity had a positive impact on the company's liquidity position with banks, which almost tripled compared to the previous year, from EUR 426 thousand to EUR 1.27 million.

In the receivables section, there was also an increase in advances paid to financial advisors, which rose from EUR 148 to 284 thousand, following the support action given to the last insurance advisors who joined at the end of 2023.Tangible fixed assets recorded a significant increase compared to the previous year (+44%), determined only by the renewal of several rental contracts during 2024.On the liabilities side, there was a significant increase in shareholders' equity (+15%), which went from EUR 2.77 million to EUR 3.19 million following the accounting of the economic result for the period. Among liabilities, the only important change concerns the valuation at amortized cost of rental contracts, many of which are renewed during 2024, the valuation of which is reflected in the fixed assets section.

ASSETS	Dec-23	Dec-24	Change	% Change
Cash and cash equivalent	426.448	1.269.946	843.498	198%
Available-for-sale financial assets	-	-	-	
Receivables	3.024.692	2.543.895	(523.584)	-16%
Receivables from banks	-	-	-	
Accounts receivable	*2.876.938*	*2.259.810*	*(659.915)*	*-21%*
Consultants' receivable	*147.754*	*284.085*	*136.331*	*92%*
		-	-	
Fixed Assets	718.123	973.119	254.997	36%
tangibles	*629.566*	*904.907*	*275.341*	*44%*
intangibles	*88.557*	*68.212*	*(20.344)*	*-23%*
			-	
Tax Assets	892.461	843.160	(49.301)	-6%
Current	*78.915*	*18.181*	*(60.734)*	*-77%*
Deferred Tax Assets	*813.546*	*824.980*	*11.434*	*1%*
		-	-	
Other assets	744.318	798.321	96.790	7%
			-	
TOTAL ASSETS	5.806.041	6.428.441	622.400	11%

LIABILITIES	Dec-23	Dec-24	Change	% Change
Capital	2.234.264	2.234.264	-	0%
Share	601.707	340.785	(260.922)	-43%
Reserves	212.790	212.790	-	0%
Valuation reserves	(11.252)	(7.938)	3.313	29%
Profit (loss) for the year	(260.922)	415.468	676.390	-259%
Shareholders' Equity	2.776.587	3.195.368	418.781	15%
			-	
Payables	1.509.587	1.785.726	276.139	18%
of which to Financial Advisors	855.334	852.534	*(2.799)*	*0%*
of which Financial liabilities measured at amortized cost	651.162	930.274	*279.111*	*43%*
of which to financial institutions	3.091	2.918	*(173)*	*-6%*
Current tax payables	0	11.354	*11.354*	
Tax liabilities	2.661	2.661	-	0%
Other liabilities	1.361.625	1.258.428	(103.197)	-8%
TFR	155.580	174.903	19.323	12%
Total payables	3.029.454	3.233.073	203.619	7%
			-	
TOTAL LIABILITIES AND SE	5.806.041	6.428.441	622.400	11%

Internal controls

The Company has established a system of internal controls that is suitable to ensure sound and prudent management, the containment of risk and capital stability as well as a correct and transparent conduct in the provision of services.

In particular, the control system is organized as follows:

a. **first level**, consisting of line controls, is overseen by the employees of the various Areas of the Company and their respective Managers who, in carrying out their assigned duties, verify the correctness of behaviors in accordance with company procedures;

b. **second level**, which includes the *Compliance* Functions (responsibility entrusted to Avv. Alberto Vercellati, employee of the company) and *Risk Management* (*outsourced* to Dr. Giancarlo Somaschini) can be found;

c. **third level**, which is handled by the *Internal Audit* Function (entrusted to Studio Atrigna & Partners, in the person of Dr. Giovanni Malpighi).

In addition to the meetings that the individual Control Functions organize in order to exchange information and assessments in relation to their own area of competence, the SIM, in order to make its verification and monitoring activities constant, effective and efficient, defines a calendar of formal meetings between all the Control Functions (including the members of the Board of Statutory Auditors and the Independent Auditors). The purpose of these meetings is to make the exchange of information between the internal control functions effective and continuous, while respecting their relative autonomy, reciprocal roles and responsibilities and in addition to the institutional information flows provided for by the reference legislation and internal procedures.

Financial Risk Information

The Board of Directors of the Company, as required by the risk management policy and in line with the provisions of the reference regulations of the Bank of Italy, analyzed the information on this matter, produced by the Risk Management function in order to consider the requirements relating to the internal capital adequacy assessment process and the risk assessment process and to indicate the appropriate guidelines.

The Directors' assessment is carried out on the basis of risk analysis and assessment as set forth in Regulation 2019/2033 (IFR) with reference to:

Capital requirements

Following European Directive 2019/2034 and Regulation 2019/2033 on Investment Firms, the Company belongs to class 2. As a result, it must hold a minimum level of own funds equal to the greater of the following:

- minimum capital requirement (in our case equal to EUR 1 million);
- 25% of fixed overheads;
- requirement deriving from the calculation of the so-called K factors given by the sum of a series of elements envisaged to cover the several types of risk based on the activity conducted.

The elements relevant to the company are listed below:

- **"Assets under management" or "AUM"**: the value of the assets that an investment firm manages for its clients as part of discretionary portfolio management agreements and non-discretionary agreements that constitute ongoing investment advisory measured in accordance with article 17 is less than EUR 1.2 billion;
- **"Client money held" or "CMH"**: the amount of client money held by an investment firm, taking into account the legal provisions relating to the separation of assets and regardless of the national accounting regulations applicable to client money held by the investment firm;

- **"Assets safeguarded and administered" or "ASA"**: the value of the assets that an investment firm safeguards and manages for its clients, regardless of whether the assets are included in the investment firm's balance sheet or are segregated in other accounts;
- **"Client orders handled" or "COH"**: the value of orders that an investment firm processes for clients, receiving and transmitting client orders and executing orders on behalf of clients.

On this basis, the Company must keep a capital endowment of about EUR 1 million, lower than the amount of own funds held.

Concentration Risk

The SIM is exposed to this risk only in relation to the cash and cash equivalents deposited with banks.

Liquidity risk

The Company does not have significant exposure to the Liquidity Risk, meant as default with respect to its payment commitments, thanks to the regular collection of periodic fees. Liquidity risk is controlled through the liquidity requirement: investment firms must hold a volume of liquid assets at least equivalent to one third of the requirement relating to fixed overheads.

Operational Risk

This type includes the risk of losses deriving from the inadequacy or dysfunction of procedures, human resources and internal systems, or from exogenous events; This category includes legal risk. This includes, among other things, losses resulting from fraud, human error, interruptions of operations, system unavailability, contractual defaults, natural disasters. Legal risk, i.e. the risk of losses arising from violations of laws or regulations, contractual or non-contractual liability or other disputes.

Operational risk includes disclosure risks for internal purposes (e.g.: reporting for the purposes of planning and controlling the performance of corporate activities) or external (e.g.: reporting to the Supervisory Authority or to the public).The risk analysis is continuously analyzed during the year, in particular with regard to credit risk, and shows that the SIM is exposed to it mainly due to its deposits with other intermediaries, exposure to financial advisors for advances granted and a very small share of trade receivables not collected within the reference month. Given the peculiarity of the activities conducted by the SIM, the BOD did not highlight any problematic findings in the financial risks listed above, as the assets and liabilities are largely settled at the date of preparation of the financial statements. With regard to receivables from financial advisors for commission advances, there are no particular problems since the SIM has prepared repayment plans, always respected, with a duration of 12 months. Operational risks are intrinsically linked to the activity carried out by the SIM which, in order to deal with them, has implemented methodologies and tools for mapping them into the main business processes, articulating internal control procedures on three levels:• The first, the operational one, which finds its synthesis in the figure of the CEO, is carried out by the productive or back-office business areas and organizational units and takes the form of hierarchical or line controls;

- the second is entrusted to specific functions that have the task of controlling the risk management system (Risk Management Function), preventing the risk of non-compliance with the rules on the provision of services and controlling the activity on the distribution network (Compliance Function) and combating the implementation of money laundering and terrorist financing operations (Anti-Money Laundering Function);
- the third, internal audit, aimed at identifying anomalous trends, violations of procedures and regulations as well as independently assessing the completeness, functionality and adequacy of the internal control system and procedures, assigned to the Internal Audit Function.

In this context, some implementations have been made to the process of detecting operational risks to have greater objectivity in the assessments. The loss recognition systems are of an accounting nature and are subject to monthly monitoring through periodic financial statements drawn up with prudent criteria. Historically, however, there have been no extraordinary operating losses recorded for penalties, legal fees, compensation for damages, and provisions for ongoing litigation. The Board of Directors, having taken note of the information received, considers it essential that the operating structures continue, in the activity of mapping risks in the main business processes according to the pre-established methodologies, to ensure the effective and efficient functioning of the line controls placed to oversee the activities carried out and to undertake all appropriate initiatives to mitigate the risks identified. In particular, reference is made to the impacts arising from the upcoming entry into force of new regulatory frameworks concerning sustainable investments and the distribution of insurance products, as well as the ongoing improvement of safeguards related to the provision of investment services. The Company also makes use of insurance coverage to protect itself against operational risks arising from third-party actions or damages caused to third parties, including fraud risks stemming from the activity of financial advisors, as well as appropriate contractual clauses covering damages caused by infrastructure and service providers.

Information on the going concern assumption

The Board of Directors have conducted a careful analysis of the events that could give rise to significant doubts about the going concern assumption. On 28 January 2025, the Board of Directors approved the 2025-2027 Business Plan, which outlines SCM Sim's corporate strategy for the three-year period.

This plan provides for the achievement of the following objectives:

- Consolidation of the sales network with the development of current resources and definition of the organizational model in the area.
- Overcoming the distinction between insurance and financial network.
- Strengthening of the Corporate division.
- Development of new partnerships with insurance intermediaries.
- Sustainable growth of assets over the three-year period.
- Enlarging the share of wallet of the customer base.
- Enhancement of the commercial offer.

With regard to the main actions planned by management to achieve the objectives of the Business Plan, the following should be noted:

CONSOLIDATION OF THE SALES NETWORK

From the second half of 2024, the Company began structuring the recruitment process to achieve greater results. A long-time manager has been appointed to head the activities and internally a resource has been recruited from a well-known headhunter, who moves to support the entire process. The target to be achieved is at least 20 new financial advisors each year, of which the Company aims to keep a significant share. The year begins with 54 advisors, including 28 financial and 26 insurance advisors. Of the latter, 4 are awaiting registration in the Register, having already passed the assessment test.

INSURANCE SERVICES

In January, the distribution of Athora, Ramo I and Ramo III policies began, with four funds managed by SCM under delegation. The expansion of the range will encourage an increase in funding. The non-life insurance segment, which is currently included in the product range but has not received particular attention, will be developed with the support of a specialized broker. The governed distribution of non-life policies allows, without customer acquisition effort, to expand the range of services and the share of wallet of customers, with a consequent increase in recurring revenues.

DEVELOPMENT OF THE CORPORATE DIVISION

Development of corporate services continues, particularly in arranging tax credit transfer transactions and providing advisory services for structuring Club Deals aimed at launching Start-Ups or supporting the growth of Scale-Ups.

In 2025, the goal is to support transfers for at least EUR 50 million and four club deals, one of which has already been launched at the end of 2024.

STRENGTHENING OF THE COMMERCIAL STRUCTURE

In 2025, the objective for network strengthening is to define a set of qualitative and quantitative benchmarks to support the creation of homogeneous advisor clusters, thereby improving the efficiency and impact of both training and incentive programs.

During the year, the objective will be further detailed, with the identification of advisor clusters and the definition of related KPIs. In parallel, a program is being designed to incentivize portfolio growth among advisors, aiming to boost recurring commission revenues.

CONVERSION OF LOW-PROFITABILITY INSURANCE AUM

The effort to convert low-profitability assets has so far produced modest results, mainly due to the aftermath of the Eurovita case.

The combined effect of commercial pressure, significantly better alternative results compared to the management of Cronos, and a dedicated incentive program will be the drivers through which the 2025 objective is to convert at least EUR 100 million, resulting in increased profitability and a significant rise in management fees.

TRAINING INVESTMENTS

Training is one of the fundamental pillars for the competitiveness of the company. As for 2024, different paths are being planned focused on three macro areas:

- development and refinement of technical knowledge;
- development of the consultant's interpersonal skills;
- Wealth Management Training.

These main streams will be supported by the training programs of the Insurance Companies whose services are distributed by SIM and the internal classroom and on-the-job training programs, led by SCM's managerial structure. To complete the program, on a monthly basis, the Investment Area organizes webinars to give an overview of the markets and the consequent actions implemented on portfolios. Every month, as has been the case for several years now, a webinar — the Monthly Meeting — is held to provide an overview of the main economic indicators, with the aim of maintaining a clear understanding of the context to be conveyed to clients.

DIGITALIZATION

The evolution of services and the connection to various insurance companies have made it necessary to evolve the position keeping system, a function now performed by Guardian. In the coming months, a software will be developed that allows the analysis of the customer's family and asset situation, already implemented, with an interface that allows you to have a unique position of the customer. In other words, the path will be to integrate the analysis of the customer, currently limited to the MiFID questionnaire, with the insurance and financial position, in order to have an easy-to-read summary dashboard. The second step of this process will consist in the clustering of customers by needs and requirements, in order to be able to be much more efficient in proposing tools suitable for solving problems or mitigating customer risks.

EXPANSION OF THE RANGE OF SERVICES

To facilitate the transfer of AUM from other companies through recruitment, in the first half of 2025, a consulting service will be implemented that can have Funds or SICAVs as underlying assets. The service provides, with the support of affiliated banks, the return of rebates to the client, who signs a consulting agreement with the SIM, thereby removing the typical conflict of interest associated with fund distribution. Over time, funds will be replaced by lower-cost instruments, such as ETPs or individual securities, homogenizing the service to the SIM range. To implement this new approach, a portfolio analysis platform is required that enables the financial advisor to demonstrate to the client the inefficiency and total cost of these instruments, and that is also useful for the development of new tools. With this service, it will become much easier for the advisor from other intermediaries to transfer portfolios, which only requires one request, called TDT, from the new bank to the old one.

MARKETING INVESTMENTS

Since January 2025, a web marketing strategy has been implemented to increase brand awareness, with the support of a well-established web agency. The plan is annual in duration and focuses on the use of Google Ads to target clients with complex needs and modest service from banks, which remain the most commonly used competitors for savings advice. Additionally, website messaging and online content will be better structured. To complement digital marketing initiatives, a podcast featuring market analysis and model portfolios will be launched. Finally, local client meetings will continue to be organized to delve into specific topics of interest such as succession planning and the purpose of supplementary pension schemes.

STRENGTHENING THE COMMITMENT OF THE STAFF STRUCTURE

During the first half of the year, the development of a plan to engage the staff structure is expected, aimed at achieving greater business efficiency, particularly in processes and advisor experience. The plan will be drawn up over the first quarter, with the following steps:

- Key People Identification.
- Definition of individual and corporate goals.
- Structuring of an incentive system.
- Communication of the plan.

CONCLUSIONS

The strategic planning model contemplates three different scenarios ("Base", "Best" and "Worst") based on different assumptions relating to the main parameters, such as the fee structure, the mix of assets under management, funding and recruitment, and cost trends. The construction of the business plan took into consideration the variables of the reference context, assessing in particular the situation of competition and the room for growth of the business, also in light of the prospects related to the contingent situation. In the "Base" scenario, which does not include performance fees, the plan provides for break-even already in the first year, assuming that the last budget year closed with a positive result also thanks to the good performance of the markets. The "Worst" scenario is based on more conservative assumptions which, in any case, would allow for a positive economic result as early as the second year of the plan. Given the above, the development of the plan highlights the possibilities for growth for the company over the three-year period and the achievement of the primary objective of stabilizing economic and financial results. The analysis of the financial and management indicators, as well as the capital structure and the projections of results for the following years suggest that the going concern assumption is appropriate since, in the opinion of the Board of Directors, there are no significant uncertainties that, considered individually or as a whole, could give rise to unknowns regarding this issue.

Other information

Information on treasury shares and/or shares of parent companies held by the company

Pursuant to art. 2428, paragraphs 3 and 4 of the Italian Civil Code, the company does not hold nor did it hold during the year any treasury shares or shares of parent companies, including through trust companies or third parties.

Information on the environment and personnel

As at 31 December 2024 the company had the following workforce:

- 4 employees with the qualification of office workers;
- 6 employees with the qualification of middle managers;
- 3 employees with the qualification of executives.

In compliance with the provisions of art. 2428, paragraph 2 of the Italian Civil Code, the company carries out its activities in line with the provisions on the environment and hygiene in the workplace.

Transactions with related parties and off-balance sheet transactions

Transactions with related parties are duly illustrated in the explanatory notes.

Research and development activities

In 2024, the Company did not carry out any research and development activities.

Significant events after the end of the year and outlook

In the first part of 2025, global financial markets have experienced different developments, influenced by various economic and political factors.

In Europe, despite first forecasts were cautious, the stock markets surprised positively. The Eurostoxx 50, along with indices such as the FTSE 100, Ibex 35, DAX 40 and CAC 40, showed significant increases in the first months of the year. This momentum is attributable to less investor pessimism and historically lower valuations than in US markets, offering more attractive return opportunities. In the US, Trump's return to politics has raised concerns about potential economic repercussions, negatively affecting consumer confidence and leading to fluctuations in equity and bond markets. However, many observers believe that such measures are more tactical than enduring policies. In summary, 2025 has seen a positive performance in European equity markets, despite the challenges posed by US trade policies and domestic political uncertainties. Accommodative monetary policies have helped support markets, but the economic outlook remains influenced by various factors, including trade policies and geopolitical dynamics. Continued performance fees could have a negative impact on performance fees; Since it is not possible to make predictions now, it is rather difficult to assess their impact, given the many variables. From a business point of view, the integration of insurance consultants in 2024 represented an important driving force for the trend in turnover, which will benefit, also in the future, from management fees based on the increase in the assets of this sector. The new advisors' work initially focused on the products of the insurance company Nobis. Following the signing of new agreements with Sara Assicurazioni, CNP, Athora and Dual, which have contributed to significantly extending the range of products that can be distributed by the Company, the network will be able to guarantee a complete level of service to the customer. About the other activities considered non-"core", in the first months of 2025, the continuation of the consultancy activity for the reporting of customers interested in transactions for the assignment of tax credits should be noted. In this context, the Company has acquired important know-how that has allowed it to help several clients overcome temporary financial difficulties. The importance of these transactions, in addition to the immediate revenue, derives from the possibility of providing the companies concerned with the Company's "core" services. At the date of preparation of this document, the economic results for the current year are therefore expected to be in line with the forecasts contained in the business plan approved by the Board of Directors on 28 January 2025.

Allocation of the result for the year

The Board of Directors, in accordance with the provisions of the law and the provisions of the Articles of Association, proposes to the Shareholders' Meeting to:

- carry forward the profit for the year, equal to EUR 394,695;
- allocate the amount of EUR 20,773 to the legal reserve.

Milan, 18 March 2025

THE CHAIRPERSON OF THE BOARD OF DIRECTORS

Maria Leddi

The undersigned, Maria Leddi, legal representative of the company SOLUTIONS CAPITAL MANAGEMENT SIM S.p.A., aware of the criminal liability envisaged in the event of false declaration, certifies, pursuant to art. 47 of Presidential Decree 445/2000, the correspondence of this document to the document kept in the Company’s records.

Stamp duty paid virtually through the Milan Chamber of Commerce, authorization no. 3/4774/2000 of 19/07/2000.

Legal Representative

Maria Leddi

SOLUTIONS CAPITAL MANAGEMENT SIM S.P.A.

Joint-stock company

Consob Resolution no. 17202 of 2 March 2010 - Enrolled in the Register of SIMs under no. 272

Member of the National Guarantee Fund

Registered office in Milan - Via Gonzaga, 3

Resolved Share Capital EUR 2.934.264, subscribed and paid-up EUR 2.234.264

Registered with the Chamber of Commerce, Industry, Craft and Agriculture of MILAN

Tax Code and Company Register no. 06548800967

VAT number: 06548800967 - Rea (Economic and Administrative Index) no.: 1899233

FINANCIAL STATEMENTS AS AT 31 DECEMBER 2024

Prepared according to international standards (IAS / IFRS)

Board of Directors

Maria Leddi	Chairperson of the Board of Directors
Antonello Sanna	Chief Executive Officer
Eugenio Tornaghi	Director
Cristina Mitidieri	Director
Antonio Napolitano	Director
Antonio Somma	Director
Massimo Nicolazzi	Director

Board of Statutory Auditors

Massimo Mariani	Chairperson
Pierluigi Di Paolo	Standing Auditor
Aldo Campagnola	Standing Auditor
Angelo Troiani	Alternate Statutory Auditor
Natale Palmisano	Alternate Statutory Auditor

Auditing Firm

Crowe Bompani Assurance Services S.p.A.

FINANCIAL STATEMENTS

BALANCE SHEET

Values in units of Euro

ASSET ITEMS	31/12/2024	31/12/2023
10. Cash and cash equivalents	1.269.946	426.448
20. Financial assets measured at fair value through income statement		-
a) financial assets held for trading		-
40. Financial assets measured at amortized cost	2.543.895	3.024.692
a) receivables from banks		-
c) trade receivables	2.543.895	3.024.692
80. Tangible assets	904.907	629.566
90. Intangible assets	68.212	88.557
100. Tax assets	843.161	892.461
a) current	18.181	78.915
b) deferred	824.980	813.546
120. Other assets	798.321	744.318
TOTAL ASSETS	6.428.441	5.806.041

LIABILITY AND SHAREHOLDERS' EQUITY ITEMS	31/12/2024	31/12/2023
10. Financial liabilities measured at amortized cost	1.785.726	1.509.587
a) payables	1.785.726	1.509.587
60. Tax liabilities	14.015	2.661
a) current	11.354	-
b) deferred	2.661	2.661
80. Other liabilities	1.258.428	1.361.626
90. Employee severance indemnities	174.903	155.580
110. Capital	2.234.264	2.234.264
140. Share premium reserve	340.785	601.707
150. Reserves	212.790	212.790
160. Valuation reserves	(7.938)	(11.252)
170. Profit (loss) for the year	415.468	(260.922)
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6.428.441	5.806.041

INCOME STATEMENT

VOCI	31/12/2024	31/12/2023
10. Net trading profit (loss)		-
30. Gains (losses) on disposal or repurchase of:		-
a) financial assets measured at amortized cost		-
50. Fee and commission income	9.817.250	7.770.101
60. Fee and commission expense	(4.807.672)	(3.745.586)
70. Interest income and similar revenues	1.086	1.690
80. Interest expense and similar charges	(48.708)	(38.336)
90. Dividends and similar income	-	-
110. BROKERAGE MARGIN	4.961.956	3.987.869
120. Net value adjustments/write-backs for credit risk of:	(40.112)	(58.950)
a) financial assets measured at amortized cost	(40.112)	(58.950)
130. NET PROFIT (LOSS) FROM FINANCIAL OPERATIONS	4.921.844	3.928.919
140. Administrative expenses:	(4.262.468)	(3.891.482)
a) personnel expenses	(1.880.795)	(1.765.620)
b) other administrative expenses	(2.381.673)	(2.125.862)
160. Net value adjustments/write-backs on tangible assets	(322.654)	(273.727)
170. Net value adjustments/write-backs on intangible assets	(20.344)	(41.607)
180. Other operating income and expenses	181.301	16.141
190. OPERATING COSTS	(4.424.165)	(4.190.675)
240. PRE-TAX PROFIT (LOSS) FROM CURRENT ASSETS	497.679	(261.756)
250. Income taxes for the year on current operations	(82.211)	834
260. PROFIT (LOSS) AFTER TAXES FROM CURRENT ASSETS	415.468	(260.922)
280. PROFIT (LOSS) FOR THE YEAR	415.468	(260.922)

STATEMENT OF COMPREHENSIVE INCOME

Items	31/12/2024	31/12/2023
10. Profit (loss) for the year	415.468	(260.922)
Other income components net of taxes without reversal to the income statement		
70. Defined benefit plans	3.313	3.150
Other income components net of taxes with reversal to the income statement		
110. Exchange rate differences		
140. Financial assets (other than equity securities) measured at fair value through other comprehensive income		
170. Total other income components net of taxes	3.314	3.150
180. Comprehensive income (Item 10 + 170)	418.782	(257.772)

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

Year 2024	Balance as at 31.12.2023	Change in opening balances	Balance as at 01.01.2024	Allocation of previous year's result		Changes for the year						Comprehensive income 31.12.2024	Shareholders' Equity as at 31.12.2024
							Shareholders' equity transactions						
				Reserves	Dividends and other allocations	Changes in	Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Change in equity instruments	Other changes		
Share capital	2.234.264		2.234.264										2.234.264
Share premium account	601.707		601.707	(260.922)									340.785
Reserves of													
a) profits	204.364		204.364										204.364
b) others	8.426		8.426										8.426
Valuation reserves	(11.252)		(11.252)									3.314	(7.938)
Equity instruments													
Treasury shares													
Profit (loss) for the year	(260.922)		(260.922)	260.922								415.468	415.468
Shareholders' Equity	2.776.587		2.776.587	-								418.782	3.195.369

Year 2023	Balance as at 31.12.2022	Change in opening balances	Balance as at 01.01.2023	Allocation of previous year's result		Changes for the year						Comprehensive income 31.12.2023	Shareholders' equity as at 31.12.2023
							Shareholders' equity transactions						
				Reserves	Dividends and other allocations	Changes in reserves	Issue of new shares	Purchase of treasury shares	Extraordinary distribution of dividends	Change in equity instruments	Other changes		
Share capital	2.006.240		2.006.240				228.024						2.234.264
Share premium account	804.904		804.904	(796.059)			592.862						601.707
Reserves of													
a) profits	204.364		204.364										204.364
b) others	8.426		8.426										8.426
Valuation reserves	(14.402)		(14.402)									3.150	(11.252)
Equity instruments													
Treasury shares													
Profit (loss) for the year	(796.059)		(796.059)	796.059								(260.922)	(260.922)
Shareholders' Equity	2.213.473		2.213.473	-			820.886					(257.772)	2.776.587

STATEMENT OF CASH FLOWS

STATEMENT OF CASH FLOWS	31/12/2024	31/12/2023
Direct method		
A. OPERATING ACTIVITIES		
1. Management	633.419	113.363
interest income collected	1.086	1.690
interest expense paid	(48.708)	(38.336)
dividends and similar income		
net fee and commission income	5.009.578	4.024.515
personnel expenses	(1.880.795)	(1.765.620)
other costs	(2.501.433)	(2.245.622)
other revenues	135.902	135.902
taxes and duties	(82.211)	834
Costs/revenues relating to groups of assets held for sale and net of the tax effect		
2. Cash flow generated/absorbed by financial assets	300.416	(818.544)
financial assets held for trading		
other financial assets at fair value		
assets mandatorily measured at fair value		
financial assets measured at fair value through other comprehensive income		
financial assets measured at amortized cost	480.797	(641.305)
other assets	(180.381)	(177.239)
3. Cash flow generated/absorbed by financial liabilities	(87.059)	(8.639)
financial liabilities measured at amortized cost		
financial liabilities held for trading		
financial liabilities designated at fair value		
other liabilities	(87.059)	(8.639)
Net cash flow generated/absorbed by operating activities	846.776	(713.821)
B. INVESTMENT ACTIVITIES		
1. Cash flow generated by	0	0
sales of equity investments		
dividends collected on equity investments		
sales of tangible assets		
sales of intangible assets		
sales of business units		
2. Cash flow absorbed by	3.277	32.790
purchases of equity investments		
purchases of tangible assets	3.277	2.790
purchases of intangible assets	0	30.000
purchases of business units		
Net cash flow generated/absorbed by investment activities	(3.277)	(32.790)
C. FUNDING ACTIVITIES		
issues/purchases of treasury shares		
issues/purchases of equity instruments	0	820.886
dividend distribution and other purposes		
Net cash flow generated/absorbed by funding activities	0	820.886
NET CASH FLOW GENERATED/ABSORBED DURING THE YEAR	843.498	74.276
RECONCILIATION		
Cash and cash equivalents at the beginning of the year	426.448	352.172
Total net cash flow generated/absorbed during the year	843.498	74.276
Cash and cash equivalents: effect of changes in exchange rates		
Cash and cash equivalents at the end of the year	1.269.946	426.448

Explanatory Notes to the Financial Statements as at 31/12/2024

INTRODUCTION

The explanatory notes are divided into the following parts:

1) part A - Accounting policies;

2) part B - Information on the balance sheet;

3) part C - Information on the income statement;

4) part D - Other information.

Each part of the notes is divided into sections, each of which illustrates a single aspect of company management. Each section provides both qualitative and quantitative disclosures. Quantitative data are typically presented in the form of items and tables. Where no amounts are reported for either the reporting period or the comparative period, the related items and tables are omitted from the financial statements.

In addition to those expressly provided for by international accounting standards and the Bank of Italy Measure of 17 November 2022 ("The Financial Statements of IFRS Intermediaries other than Banking Intermediaries"), the rules of which will apply in full to the financial statements for the financial year ended or in progress as at 31 December 2023, the Notes to the financial statements also provide all other information not required for the purpose of guaranteeing adequate disclosure.

PART A - ACCOUNTING POLICIES

A1. GENERAL PART

SECTION 1 – DECLARATION OF COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS

These Financial Statements were prepared in application of Italian Legislative Decree No. 38 of 28 February 2005 and according to the international accounting standards IAS/IFRS, as interpreted by the International Financial Reporting Interpretation Committee (IFRIC) and adopted by the European Union.

The international accounting standards were also applied with reference to the "Systematic framework for the preparation and presentation of financial statements".

Where necessary - in the absence of a standard or an interpretation applicable to the individual case - the Administrative Body used its own judgement in developing and applying an accounting standard to provide adequate and reliable disclosure, for the purposes of the economic decisions to be made by the users, so that the financial statements:

- accurately represent the equity, financial situation, economic result and cash flows of the investment company;
- reflect the economic substance of the transactions, other events and circumstances and not merely the legal form;
- are neutral, i.e. free from prejudices;
- are prudent;
- are complete with respect to all relevant aspects.

In compliance with art. 5 of Italian Legislative Decree no. 38/2005, if, in exceptional cases, the application of a provision envisaged by the international accounting standards is incompatible with a true and fair view of the equity, financial position and economic result, the provision is not applied. In this case, the reasons for the derogation and its influence on the representation of the equity, financial position and economic result are explained in the explanatory notes.

In the financial statements, any profits deriving from the exception are recorded in a non-distributable reserve. In 2024 there were no exceptional cases and, therefore, it was not necessary to apply the exceptions described above.

Section 2 – General preparation principles

The financial statements as at 31 December 2024 were prepared on the basis of the Instructions issued by the Bank of Italy, in the exercise of the powers established by Article 9 of Legislative Decree No. 38/2005, with the Measure of 17 November 2022 for the preparation of the financial statements of IFRS intermediaries other than banking intermediaries. These instructions establish in a binding manner the financial statements and the relevant preparation procedures, as well as the contents of the Explanatory Notes.

The Financial Statements consist of the mandatory accounting schedules envisaged by IAS 1, i.e. the balance sheet, income statement, cash flow statement, statement of comprehensive income and statement of changes in shareholders' equity, as well as these explanatory notes and are accompanied by the directors' report on operation.

The currency of presentation of the financial statements is the Euro.

The financial statement balances and the explanatory notes are expressed in Euro.

The financial statements have been prepared with clarity and give a true and fair view of the equity position, the financial position and the economic result for the year. If the information required by the international accounting standards and by the provisions contained in the aforementioned measures issued by the Bank of Italy is insufficient to provide a true and fair, relevant, reliable, comparable and understandable representation, the additional information necessary for this purpose is provided in the explanatory notes.

The figures in the official financial statements as at 31 December 2024 are compared with the financial statements as at 31 December 2023.

The Financial Statements of Solutions Capital Management SIM S.p.A. (hereinafter also referred to as "SCM S.I.M. S.p.A.") are audited by the company Crowe Bompani Assurance Services S.p.A., registered in the register of statutory auditors established at the Ministry of Economy and Finance.

The financial statements were prepared on a going concern basis, according to the principle of accounting on an accrual basis, in compliance with the principle of relevance and significance of information, the prevalence of substance over form and with a view to encouraging consistency with future presentations.

Assets and liabilities, costs and revenues are not offset against each other, unless this is allowed or required by the international accounting standards or by the provisions contained in the Measure issued by the Bank of Italy. If an asset or liability entry falls under more than one balance sheet item, if this is necessary for the purposes of understanding the financial statements, the explanatory notes also state that this can be referred to items other than the one in which it is recorded.

Items of a different nature or function were presented separately unless they were considered irrelevant.

In recognizing operating events in the accounting records, importance was given to the principle of economic substance with respect to that of form.

Section 3 – Events after the reporting date

There are no significant events with an impact on the 2023 financial statements.

With regard to significant events that took place in 2025 and had no impact on the financial statements for the year 2024, please refer to the Directors' Report on Operations.

Section 4 – Other aspects

The preparation of the financial statements also requires the use of estimates and assumptions that may have significant effects on the values recorded in the balance sheet and income statement. The preparation of these estimates implies the use of available information and the adoption of subjective assessments. In consideration of this, it cannot be excluded that the assumptions made, however reasonable, may not be confirmed in the future scenarios in which the company will operate. The results that will be recorded in the future could therefore differ from the estimates made for the purposes of preparing the financial statements and consequently it could be necessary to make adjustments that are not currently foreseeable or that cannot be estimated with respect to the book value of the assets and liabilities recorded in the financial statements.

The main cases in which the use of subjective assessments is required by the Directors in the preparation of these financial statements are:

- the valuation of the recoverable value of the receivables, also with reference to the fee advances paid to the financial advisors;

- estimates and assumptions on the recoverability of deferred tax assets recognized in the financial statements.

With reference to the preparation of the financial statements according to the going concern criteria, please refer to the report on operations.

Amendment to IFRS16

The Company did not apply the practical expedient envisaged by Regulation (EU) no. 1434/2020.

A.2 MAIN ITEMS IN THE FINANCIAL STATEMENTS

The criteria adopted with reference to the classification, recognition, measurement and derecognition of the various asset and liability items of the balance sheet, as well as the recognition criteria of the income components, are illustrated below.

Financial assets measured at fair value through income statement

Financial assets other than those classified under "Financial assets measured at fair value through other comprehensive income" and "Financial assets measured at amortized cost" are classified in this category.

Financial assets held for trading

a) Recognition criteria

   Financial assets are initially recognized on the settlement date for debt securities, equity securities and UCITS units, on the disbursement date for loans and on the subscription date for derivative contracts.

   Upon initial recognition, financial assets measured at fair value through profit or loss are recognized at fair value, which normally corresponds to the amount paid, without considering transaction costs or income directly attributable to the financial instrument, which are recognized in the income statement.

b) Classification criteria

   A financial asset (debt securities, equity securities, loans, UCITS units) is classified as held for trading if it is managed with the objective of realizing cash flows through sale, i.e. if it is associated with the Business Model "Other", as:

   - acquired with a view to being sold in the short term;
   - part of a portfolio of financial instruments that are managed jointly and for which there is a proven strategy aimed at achieving profits in the short term.

c) Assessment criteria

After initial recognition, financial assets held for trading are measured at fair value through profit or loss.

d) Derecognition criteria
Financial assets are derecognized when they are sold or repaid, substantially transferring all related risks/benefits.

Financial assets measured at amortized cost

a) Recognition criteria
The initial recognition of the financial asset takes place on the date on which the SIM acquires the right to payment of the amounts contractually agreed; they are recognized at fair value, normally corresponding to the amount disbursed or the consideration paid, to which any directly attributable transaction costs/income are added.

b) Classification criteria
Financial assets are recognized in this category if both conditions are met:

the objective of their ownership lies in the collection of contractual cash flows ("Hold to Collect" business model);

the related contractual flows are represented solely by payments of principal and interest on the principal to be repaid (i.e. which require the passing of the so-called "SPPI test").

Receivables comprise amounts due from clients as well as commission advances granted to financial advisors..

c) Assessment criteria
Financial assets, after first recognition, are measured at amortized cost; the amortized cost method is not used for those assets whose short duration makes the effect of the application of the discounting logic negligible. These assets are valued at historical cost and any costs/income referring to them are attributable to the income statement on a straight-line basis over the contractual duration of the receivable.

At the end of each year or half-year, financial assets are reviewed to identify those which, following the occurrence of events after their recognition, show objective evidence of possible impairment. Value adjustments are recorded with a balancing entry in the income statement.

The original value of the assets is restored in next years to the extent that the reasons that led to the adjustment cease to exist, provided that this valuation is objectively linked to an event that occurred after the adjustment. The write-back is recorded in the income statement, and cannot in any case exceed the amortized cost that the asset would have had in the absence of previous adjustments.

d) Derecognition criteria

Financial assets are derecognized from the statement of financial position only when the contractual rights to the cash flows from the assets expire, or when the financial assets are transferred and the transfer qualifies for derecognition, meaning that substantially all the risks and rewards of ownership have been transferred. Conversely, if substantially all risks and rewards are retained, the financial assets continue to be recognized, even if legal title has been transferred.

If it is not possible to determine whether substantially all risks and rewards have been transferred, the financial assets are derecognized only if control over the assets has not been retained. Otherwise, the retention—even partial—of such control results in continued recognition of the financial assets in the balance sheet, to the extent of the entity’s continuing involvement. This involvement is measured based on the entity’s exposure to changes in the value of the transferred assets and to fluctuations in their related cash flows.

Lastly, disposed financial assets are derecognized if the entity retains the contractual rights to receive the cash flows of the asset, but signs a simultaneous obligation to pay such cash flows, and only such cash flows, without significant delay to third parties.

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TANGIBLE ASSETS

a) Recognition criteria

Tangible assets are initially recognized at cost, which includes the purchase price and any directly attributable costs necessary to bring the asset to its location and condition for its intended use.

Subsequent expenditures increase the carrying amount of the asset or are recognized as separate assets only when they result in an increase in the future economic benefits expected to arise from the use of the asset. All other subsequent expenditures are recognized in profit or loss in the period in which they are incurred.

b) Classification criteria

This category includes tangible assets held for use in the production or supply of goods and services, or for administrative purposes, and which are expected to be used during more than one reporting period. The tangible assets of the SIM include furniture and furnishings, electronic equipment, general plant and machinery, various equipment, and mobile communication devices.

c) Assessment criteria

Tangible assets are measured at cost, net of depreciation and any impairment losses. The depreciable amount is systematically allocated over the useful life, adopting the straight-line method of depreciation.

The useful life of tangible assets subject to depreciation is periodically evaluated; in case of adjustments to the first estimates, the related depreciation is consequently changed. It is also assessed at each reporting date, whether there is any indication that an asset may have suffered an impairment loss. In this case, the recoverable value of the asset is determined, i.e. the higher of the net sale price and the value in use. If the conditions that led to a previous impairment loss no longer exist, the recoverable amount of the asset is reassessed.

d) Derecognition criteria

A tangible asset is derecognized from the balance sheet upon disposal or when the asset is permanently withdrawn from use and no future economic benefits are expected from its disposal.

e) Criteria for recognizing income components

Both depreciations, calculated "pro rata temporis", and any impairment losses are recognized in the income statement under "Net value adjustments / write-backs on tangible assets". The depreciation rate used in reference to the assets owned is indicated in detail:

- Furniture 12%
- Furnishing 15%
- Electronic office equipment 20%
- General installations 15%

INTANGIBLE ASSETS

a) Recognition criteria

Assets without physical substance are recorded as assets when they are identifiable, controlled by the company, able to produce future economic benefits, and their cost can be reliably determined. Expenses incurred after the initial purchase are capitalized only if they increase the future economic benefits of the specific capitalized asset, otherwise they are charged to the income statement.

b) Classification criteria

These are software licenses used for administrative purposes and are expected to be used for more than one reporting period.

c) Assessment criteria

After first recognition, intangible assets are measured at cost, net of accumulated amortization and any accumulated impairment losses. Intangible assets acquired through business combinations are measured at the time of initial recognition at fair value.

d) Derecognition criteria

Intangible assets are derecognized from the balance sheet on disposal and if no future economic benefits are expected.

e) Criteria for recognizing income components

Intangible assets with a finite useful life are amortized and recorded net of the relative accumulated amortization, calculated systematically on the basis of the estimated useful life in relation to the period in which the economic benefits are obtained, and net of any impairment losses.

CURRENT AND DEFERRED TAX

a) Recognition and classification criteria

Current tax items include receivables (current assets) and payables (current liabilities) for income taxes relating to the current period.

Deferred tax items, on the other hand, represent income taxes recoverable in future periods for “deductible temporary differences” (deferred assets) and income taxes payable in future periods for “taxable temporary differences” (deferred liabilities). “Taxable temporary differences” are those that in future periods will determine taxable amounts and “deductible temporary differences” are those that in future years will determine deductible amounts. Lastly, deferred assets include tax losses based on the assumption of their future recoverability.

Prepaid and deferred taxes are recognized in the balance sheet on a gross basis, without offsetting. Deferred tax assets are included under 'Tax assets', while deferred tax liabilities are recorded under 'Tax liabilities'. Deferred tax assets are recognized when their recovery is considered probable within a reasonable timeframe.

b) Assessment criteria

Deferred taxation is calculated according to the balance sheet liability method, considering the tax effect of the temporary differences between the book value of the assets and liabilities and their value for taxation purposes, which will determine taxable income or deductible amounts in the future. Deferred taxes are calculated by applying the tax rates established by the legal provisions in force to the taxable temporary differences, and to the deductible temporary differences for which there is the probability of an effective recovery.

c) Derecognition criteria

Current tax receivables and payables are derecognised from the statement of financial position only upon recovery of the tax credit and settlement of the amounts payable to the tax authorities. Deferred tax assets and liabilities are derecognised from the statement of financial position when the temporary differences that originated them reverse in the reporting period.

d) Criteria for recognising income components

Where deferred tax assets and liabilities relate to items recognised in the income statement, the corresponding entry is income taxes. Income taxes, calculated in accordance with national tax legislation, are recognised as an expense on an accrual basis, in line with the recognition of the related costs and revenues in the financial statements. They therefore represent the total amount of current and deferred taxation related to the profit or loss for the period.

Where deferred tax assets and liabilities refer to components that have affected the shareholders' equity, the balancing entry is the adjustment of the corresponding balance sheet item.

OTHER ASSETS

his item includes assets not attributable to other balance sheet asset items. The item may include, for example:

- accrued income and prepaid expenses not attributable to other assets;
- tax receivables other than those classified under item "100. Tax assets".

Financial liabilities measured at amortized cost

a) Recognition criteria

The first recognition is made on the basis of the fair value, normally equal to the amount collected or the issue value plus any additional costs/income directly attributable to the individual funding or issue transaction and not reimbursed to the counterparty.

b) Classification criteria

The item includes the sub-items "Payables" and "Outstanding securities" and, specifically, the sub-item "Payables" includes the company's payables to financial advisors and those relating to lease and rental fees (Lease payables).

c) Assessment criteria

After initial recognition, these liabilities, net of any repayments and/or repurchases, are measured at amortized cost using the effective interest rate method, except for short-term liabilities, which remain recorded at their nominal value as the effect of discounting is negligible, and any related costs charged are attributed to the income statement on a straight-line basis over the contractual duration of the liability.

d) Derecognition criteria

Financial liabilities are derecognized from the financial statements when they have expired or are extinguished. A financial liability is extinguished when the debt is settled by paying the creditor in cash or through other financial assets, goods or services or is legally released from primary responsibility for the liability.

Other liabilities

This item includes liabilities not attributable to other balance sheet liability items.

This item includes, for example:

- payables associated with the payment of non-financial goods and services;
- sundry tax payables other than those recognized in item "60. Tax liabilities", connected, for example, to withholding agent activities.

EMPLOYEE SEVERANCE INDEMNITIES

As a result of the supplementary pension reform, pursuant to Italian Legislative Decree No. 252/2005, the portions of employee severance indemnities accruing from 1 January 2007 constitute a “defined contribution plan”. The charge relating to the portions is determined on the basis of the contributions due without the application of any actuarial method.

Conversely, employee severance indemnity accrued up until 31 December 2006 continues to constitute a “post-employment benefit” of the “defined benefit plan” series and, as such, requires the determination of the value of the obligation on the basis of actuarial assumptions and must be subject to discounting since the payable can be extinguished significantly after the employees have provided the related work.

The amount recorded as a liability is equal to:

(a) the present value of the defined benefit obligation at the reporting date;
(b) plus any actuarial gains (less any actuarial losses) recognized in a specific equity reserve;
(c) less the fair value at the reporting date of any plan assets.

The Company, in relation to the recognition of actuarial gains/losses, in accordance with IAS 19, in force since 2013, recognizes these components directly in shareholders’ equity under valuation reserves. “Actuarial gains/losses” include the effects of adjustments deriving from the reformulation of previous actuarial assumptions as a result of actual experience or due to changes in the same assumptions.

For discounting purposes, the “Projected unit credit” method is used, which considers each individual service period as giving rise to an additional unit of severance indemnity, thus measuring each unit, separately, to construct the final obligation. This additional unit is obtained by dividing the total expected service by the number of years elapsed from the time of hiring to the expected date of settlement. The application of this method envisages the projection of future outlays based on historical statistical analyses and the demographic curve and the financial discounting of these flows on the basis of a market interest rate. The rate used for discounting is determined with reference to the market rates recorded at the balance sheet date of "high quality corporate bonds" or to the yields of securities characterized by a low credit risk profile.

Share capital and equity reserves

The values relating to the share capital and equity reserves are recognized at their nominal value.

Translation of items expressed in foreign currency

Transactions expressed in foreign currency are converted into euro using the exchange rate on the date of the transaction. At the end of the year, no payables or receivables in foreign currency were recognized in the financial statements.

Revenues

Revenues are measured at the fair value of the consideration received or due and are recognized in the accounts when all the following conditions are met:

- the amount of revenues can be reliably measured;

- it is probable that the economic benefits associated with the transaction will flow to the company;

- the stage of completion of the transaction at the reporting date can be reliably measured;

- the costs incurred for the transaction and the costs to be incurred to complete it can be reliably calculated.

Revenues recognized for the provision of services are measured in accordance with the stage of completion of the transaction.

Costs

Costs are recognized in the accounts when incurred. They represent monetary amounts or equivalents paid, or the fair value of other consideration given, to acquire an asset at the time of acquisition or, where applicable, the amount attributed to the asset at initial recognition in accordance with the specific provisions of the IFRS.

Standards and Amendments Effective from 1 January 2024

Supplier Finance Arrangements (Amendments to IAS 7 and IFRS 7)

On 25 May 2023, the IASB issued Supplier Finance Arrangements, amending IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures (the "Amendments"). These Amendments were introduced following a request received by the IFRS Interpretations Committee (IFRIC) regarding the presentation requirements for liabilities and related cash flows arising from supplier finance arrangements (also referred to as "reverse factoring") and the related disclosure requirements. In December 2020, IFRIC published an Agenda Decision – Supply Chain Financing Arrangements—Reverse Factoring, which addressed the request based on the IFRS requirements in force at the time.

During this process, various stakeholders highlighted limitations in the existing requirements that hindered users' ability to understand the effects of reverse factoring on an entity's financial statement and to compare entities effectively. In response to this feedback, the IASB undertook a narrow-scope amendment project, resulting in the issuance of the Amendments.

The Amendments require entities to disclose specific qualitative and quantitative information relating to supplier finance arrangements. They also provide guidance on the characteristics of such arrangements.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

n June 2020, the IFRS Interpretations Committee published an Agenda Decision – Sale and Leaseback with Variable Payments. The matter was referred to the IASB to resolve certain aspects. The IASB approved the final amendments in September 2022. The Amendments require that the seller-lessee determine the lease payments or revised lease payments in a manner that ensures no gain or loss is recognised in relation to the right of use retained by the seller-lessee.

Classification of liabilities ad current or non-current (Amendments to IAS 1)

In January 2020, the IASB issued amendments to IAS 1 – Classification of Liabilities as Current or Non-current, which were further amended by Non-current Liabilities with Covenants, published in October 2022. The Amendments require that an entity must have a substantive right to defer settlement of a liability for at least twelve months after the reporting period, and such a right must exist at the reporting date. The classification of a liability is not affected by the likelihood that the entity will exercise that right. Due to the COVID-19 pandemic, the IASB postponed the effective date of the Amendments by one year, making them effective for annual reporting periods beginning on or after 1 January 2024..

Amendment – Non-current liabilities with covenants (Amendment to IAS 1)

Following the issuance of the Amendments to IAS 1 – Classification of Liabilities as Current or Non-current, the IASB further amended IAS 1 in October 2022. If an entity's right to defer settlement is subject to compliance with specific conditions, these conditions affect the existence of that right as of the reporting date if the entity must comply with them on or before the reporting date. Conditions that must be met only after the reporting date do not affect this classification. The Amendments also clarify the definition of "settlement" for the purposes of classifying a liability as current or non-current.

Standards and Amendments Mandatory as of 1 January 2025Lack of exchangeability (Amendments to IAS 21)

On 15 August 2023, the IASB issued the "Lack of Exchangeability" amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates (the "Amendments"). These Amendments respond to a request submitted to the IFRS Interpretations Committee (the "Committee") regarding how to determine the exchange rate when a long-term lack of exchangeability exists. Prior to the Amendments, IAS 21 did not include explicit guidance on determining the exchange rate when a currency is not exchangeable into another, resulting in diverse practices. The Committee recommended that the IASB develop narrow-scope amendments to address this issue. After further deliberation, the IASB published an Exposure Draft in April 2021 and completed the Amendments in August 2023. The Amendments introduce requirements for assessing when a currency is exchangeable into another currency and when it is not. If a currency is determined to be nonexchangeable, the entity must estimate the spot exchange rate at the reporting date.

STANDARDS AND AMENDMENTS MANDATORY AS OF 1 JANUARY 2026 AMENDMENTS TO THE CLASSIFICATION AND MEASUREMENT OF FINANCIAL INSTRUMENTS (AMENDMENTS TO IFRS 9 AND IFRS 7)

In response to issues raised with the IFRS Interpretations Committee, and findings from the post-implementation review of the classification and measurement requirements in IFRS 9 Financial Instruments, the IASB issued the "Amendments to the Classification and Measurement of Financial Instruments" in May 2024. These Amendments revise the following requirements of IFRS 9 and IFRS 7:

Derecognition of Financial Liabilities• Derecognition of financial liabilities settled via electronic transfers.

Classification of Financial Assets• Elements of interest in basic lending arrangements ("solely payments of principle and interest assessment" – 'SPPI test').

• Contractual terms that affect the timing or amount of contractual cash flows.

• Non-recourse financial assets.

• Investments in contractually linked instruments.

Disclosures

• Equity investments measured at fair value through other comprehensive income.

• Contractual terms that could alter the timing or amount of contractual cash flows.

The Amendments may significantly affect how entities derecognize financial liabilities and classify financial assets.

Entities can early adopt only the amendments related to the classification of financial assets and related disclosures, while deferring application of the other changes. This can be particularly beneficial for entities seeking to apply the Amendments early for ESG (Environmental, Social and Governance) - linked or similar financial instruments.

ANNUAL IMPROVEMENTS TO IFRS ACCOUNTING STANDARDS

The Annual Improvements are limited to amendments that clarify wording in an IFRS Accounting Standard or correct relatively minor unintended consequences, oversights, or inconsistencies. The proposed changes are grouped into a single document. This cycle of Annual Improvements addresses the following:

• Hedge accounting by a first-time adopter (Amendments to IFRS 1 First-time Adoption of IFRS);
• Disclosure of deferred difference between fair value and transaction price (Amendments to the implementation guidance of IFRS 7);
• Gains or losses on derecognition (Amendments to IFRS 7);
• Credit risk introduction and disclosures (Amendments to the implementation guidance of IFRS 7);
• Derecognition of lease liabilities (Amendments to IFRS 9);
• Transaction price (Amendments to IFRS 9);
• Determination of a "de facto agent" (Amendments to IFRS 10);
• Cost method (Amendments to IAS 7).

The final Amendments were issued in July 2024.

Contracts for the purchase of electricity dependent on nature (formerly Power Purchase Agreements) (amendments to IFRS 9 and IFRS 7)

On 18 December 2024, the IASB issued Amendments aimed at improving the reporting of the financial effects of contracts for the purchase of electricity dependent on nature, often structured as power purchase agreements (PPAs).Contracts for the purchase of electricity dependent on natural sources assist entities in securing electricity supply from renewable sources such as wind or solar energy. Due to the variability in electricity generation caused by weather conditions, current accounting requirements may not fully capture how these contracts impact an entity's financial performance. In response, the IASB made targeted amendments to IFRS 9 Financial Instruments and IFRS 7 Financial Instruments: Disclosures with the aim of improving the disclosures related to these contracts in the financial statements. The Amendments include:

• Clarification of the application of the own-use exemption;
• Allowing hedge accounting when these contracts are used as hedging instruments;

• Introduction of new disclosure requirements to enable investors to understand the effect of these contracts on the entity's financial performance and cash flows. These Amendments are effective for annual reporting periods beginning on or after 1 January 2026. Early application is permitted; however, in some jurisdictions, the Amendments must be endorsed before they can be applied.

A.3 INFORMATION ON TRANSFERS BETWEEN PORTFOLIOS OF FINANCIAL ASSETS

During the year, no transfers were made between portfolios of financial assets.

A.3.3 DISCLOSURE ON THE SO CALLED "DAY ONE PROFIT/LOSS"

The Company had no "day one profit/loss" on financial assets/liabilities during the financial year.

A.4 INFORMATION ON FAIR VALUE

Qualitative disclosure

IFRS 13 - "Fair Value Measurement" defines fair value as the consideration for which an asset can be exchanged, or a liability settled, between knowledgeable and willing parties, in a transaction between third parties.

This value is therefore configured as an "exit price" that reflects the characteristics of the asset or liability subject to valuation that would be considered by a third-party market participant view. The fair value measurement refers to an ordinary transaction carried out or executable between market participants, where a market means:

the main market, i.e. the market with the highest volume and level of transactions for the asset or liability in question to which the Company has access;

or, in the absence of a main market, the most advantageous market, i.e. the market in which it is possible to obtain the highest price for the sale of an asset or the lowest purchase price for a liability, also taking into account the costs of transaction.

The IAS/IFRS international accounting standards have introduced a classification of the methods used to find the fair value, in order to guarantee a more complete disclosure on the level of discretion in the valuation of the financial instruments recorded in the financial statements. The fair value hierarchy is defined on the basis of the input data (with reference to their origin, type and quality) used in the models for determining the fair value and not on the basis of the valuation models themselves; in this regard, the highest priority is given to Level 1 inputs.

Fair value determined on the basis of level 1 inputs

The fair value is b observable inputs, i.e. prices quoted in active markets for the financial instrument, to which the entity can access at the valuation date of the instrument. The existence of prices in an active market is the best evidence of fair value and therefore these prices represent the inputs to be used as a priority in the valuation process.

Fair value determined on the basis of level 2 inputs

If there are no prices recorded on active markets, the fair value is determined by using prices recorded on markets that are not active or by valuation models that adopt market inputs. The valuation is carried out through the use of parameters that are directly or indirectly observable, such as, for example, prices listed on active markets for similar assets or liabilities, observable parameters such as interest rates or yield curves, implicit volatility, advance payment risk, default rates and illiquidity factors.

Fair value determined on the basis of level 3 inputs

The valuation is determined through the use of significant inputs that cannot be inferred from the market, which therefore involve the adoption of estimates and internal assumptions.

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

This paragraph provides information on the valuation techniques and inputs used to determine the fair value of the assets and liabilities measured at fair value in the Company's financial statements and those for which the fair value is only provided for disclosure purposes.

Assets and Liabilities whose fair value is provided for disclosure purposes

- Financial assets

With regard to **receivables from banks**, it is considered that the book value is an adequate approximation of *fair value*, which entails classification in level 3 of the hierarchy. The same approach is followed for **receivables from customers**, which are usually represented by transactions with a maturity of less than three months.

- Financial liabilities

All of the Company's liabilities, with the exception of lease payables, have a maturity of less than three months or undetermined and therefore the book value of recognition can be considered an adequate approximation of the fair value, an aspect that involves classification in level 3 of the hierarchy.

A.4.2 Processes and sensitivity of valuations

For financial instruments measured at fair value and classified in level 3 of the fair value hierarchy, the sensitivity analysis is not produced because the methods for quantifying the fair value do not allow the development of alternative assumptions regarding the non-observable inputs used for valuation purposes or because the effects deriving from the change in these inputs are not considered relevant.

A.4.3 Fair value hierarchy

With reference to the assets and liabilities measured at fair value on a recurring basis, the classification in the correct level of the fair value hierarchy is carried out by referring to the rules and methods envisaged in the company regulations. Any transfers to a different hierarchy level are identified on a monthly basis. By way of example, it should be noted that these transfers may result from the "disappearance" of the active listing market or from the use of a different valuation method that was not previously applicable.

A.4.4 Other information

There is nothing to report.

Quantitative disclosure

A.4.5 FAIR VALUE HIERARCHY

A.4.5.4 ASSETS AND LIABILITIES NOT MEASURED AT FAIR VALUE OR MEASURED AT FAIR VALUE ON A NON-RECURRING BASIS: BREAKDOWN BY FAIR VALUE LEVEL

Assets / Liabilities not measured at fair value or measured at fair value on a non-recurring basis	2024				2023			
	Book value	Level 1	Level2	Level 3	Book value	Level 1	Level 2	Level 3
1. Financial assets measured at amortized cost 2. Tangible assets held for investment purposes 3. Non-current assets and groups of assets held for sale	2.543.895			2.543.895	3.024.692			3.024.692
Total	**2.543.895**			**2.543.895**	**3.024.692**			**3.024.692**
1. Financial liabilities measured at amortized cost 2. Liabilities associated with assets held for sale	1.785.726			1.785.726	1.509.587			1.509.587
Total	**1.785.726**			**1.785.726**	**1.509.587**			**1.509.587**

PART B - INFORMATION ON THE BALANCE SHEET - ASSETS

Section 1 - Cash and cash equivalents - Item 10 **1.269.946**

Breakdown of item 10 “Cash and cash equivalents”

Description	2024	2023
Cash	442	483
Cash and cash equivalents	1.269.504	425.965
Total	**1.269.946**	**426.448**

Cash and cash equivalents only include current accounts held with the following banks:

- Monte dei Paschi di Siena;
- UBS;
- Mediobanca;
- Banca Finnat;
- Banca Sella;
- Banca Popolare di Ragusa.

The current accounts in Mediobanca and Banca Finnat were opened to more efficiently manage the flow of fees with the so-called “omnibus” account, in turn activated after obtaining the authorization to hold client’s liquidity and financial instruments.

Starting from 31 December 2021, cash and cash equivalents of customers who signed management contracts with SCM were included in the memorandum accounts, depositing the assets subject to the service with it.

Section 4 - Financial assets measured at amortized cost - Item 40 **2.543.895**

4.3 Breakdown of item 40 "Financial assets measured at amortized cost": Trade receivables

Breakdown	2024						2023					
	Book value			Fair value			Book value			Fair value		
	Stage 1 and Stage 2	Level	Acquired or originated impaired	L 1	L 2	L3	Stage 1 and Stage 2	Level	Acquired or originated impaired	L 1	L 2	L3
1. Loans	**2.259.810**					**2.259.810**	**2.876.938**					**2.876.938**
1.1 Receivables for services	**2.259.810**					**2.259.810**	**2.876.938**					**2.876.938**
- for management	752.752					752.752	378.937					378.937
- for investment advisory	202.548					202.548	197.220					197.220
- for other services	1.304.510					1.304.510	2.300.780					2.300.780
1.2 Repos												
- of which on government bonds												
- of which on other debt securities												
- of which on equity securities												
1.3 Other Financing												
2. Debt securities												
2.1 Structured Securities												
2.2 Other Debt Securities												
Total	**2.259.810**					**2.259.810**	**2.876.938**					**2.876.938**

Receivables from customers essentially refer to fees still to be collected, relating to individual management mandates, advisory services and the distribution of insurance policies. Any performance fees relating to investment advisory services and asset management are also included. The other services category includes fees deriving from the distribution of insurance products, as well as those relating to the generic advisory service. A significant portion of loans to customers, accrued at the end of the year, was collected at the date of preparation of these financial statements.4.5 Financial assets measured at amortized cost:

Receivables from financial advisors

Description	2024	2023
Advances on fees	284.085	147.754
Total	**284.085**	**147.754**

The variation recorded in 2024 is attributable to advances granted to insurance advisors in order to support their onboarding into the sales network.

Section 8 - Tangible assets - Item 80	904.907

8.1 TANGIBLE ASSETS FOR FUNCTIONAL USE: BREAKDOWN OF ASSETS MEASURED AT COST

Description	2024	2023
1. Owned assets	**35.702**	**43.171**
a) land		
b) buildings		
c) furniture	11.443	18.214
d) electronic systems	16.950	17.781
e) others	7.309	7.176
2. Rights of use acquired through lease	**869.205**	**586.395**
a) land		
b) buildings	653.193	546.213
c) furniture		
d) electronic systems		
e) others	216.012	40.182
Total	**904.907**	**629.566**

8.5 TANGIBLE ASSETS FOR FUNCTIONAL USE: ANNUAL CHANGES

	Land	Buildings	Furniture	Electronic systems	Others	Total
A. Gross initial inventories	-	1.575.750	272.772	128.706	321.842	2.299.070
A.1 Total net impairment losses	-	1.029.537	254.558	110.925	274.484	1.669.504
A.2 Net opening balance	-	546.213	18.214	17.781	47.358	629.566
B. Increases						
B.1 Purchases		352.269		3.277	253.763	609.310
B.2 Expenses for capitalized improvements						
B.3 Write-backs						
B.4 Positive changes in fair value charged to the						
a) shareholders' equity						
b) income statement						
B.5 Exchange gains						
B.6 Transfers from properties held for invest.						
B.7 Other changes					-6.303	-6.303
C. Decreases						
C.1 Sales						
C.2 Amortization		245.289	6.771	4.108	66.485	322.653
C.3 Impairment losses charged to the						
a) shareholders' equity						
b) income statement						
C.4 Negative changes in fair value charged to the						
a) shareholders' equity						
b) income statement						
C.5 Exchange losses						
C.6 Transfers to:						
a) tangible assets for investment purposes						
b) assets held for sale						
C.7 Other Changes					5.013	5.013
D. Net Final inventories	**-**	**653.193**	**11.443**	**16.950**	**223.321**	**904.907**
D.1 Total net impairment losses	-	1.274.826	261.329	115.033	345.982	1.997.170
D.2 Gross closing balance	-	1.928.019	272.772	131.983	569.303	2.902.077
E. Valuation at cost	-	653.193	11.443	16.950	223.321	904.907

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IFRS 16 Disclosures

Leases summary	2024
Right-of-use assets:	**869.205**
- Lease payable Offices	653.193
- Long-term car rentals	216.012
Financial payables as at 31/12/2024:	**930.274**
- Lease payable Offices	711.034
- Long-term car rentals	219.240
Depreciation	**308.114**
- Lease payable Offices	245.289
- Long-term car rentals	62.825
Interest expense	**46.672**
- Lease payable Offices	41.160
- Long-term car rentals	5.512

Contract no.	**21**
Contract type	Long-term rental
Asset type	AUDI Q5 50 TFSI vehicle
Initial book value of right of use (Euro)	25.810
no. of months of depreciation	36
Annual depreciation charge	6.453
annual accrued interest expense (Euro)	867
Principal portion paid during the year (Euro)	6.095
Residual financial debt as at 31/12/2023 (Euro)	19.715

Contract no.	**23**
Contract type	Long-term rental
Asset type	AUDI A4 RS4 vehicle
Initial book value of right of use (Euro)	53.998
no. of months of depreciation	36
Annual depreciation charge	13.500
annual accrued interest expense (Euro)	1.705
Principal portion paid during the year (Euro)	12.103
Residual financial debt as at 31/12/2023 (Euro)	41.895

Contract no.	**20**
Contract type	Long-term rental
Asset type	BMW Serie 3 vehicle
Initial book value of right of use (Euro)	29.517
no. of months of depreciation	36
Annual depreciation charge	9.839
annual accrued interest expense (Euro)	412
Principal portion paid during the year (Euro)	10.250
Residual financial debt as at 31/12/2023 (Euro)	2.643

Contract no.	**14**
Contract type	Long-term rental - Ended
Asset type	BMW X3 vehicle
Initial book value of right of use (Euro)	31.209
no. of months of depreciation	36
Annual depreciation charge	650
annual accrued interest expense (Euro)	3
Principal portion paid during the year (Euro)	720
Residual financial debt as at 31/12/2023 (Euro)	0

Contract no.	**16**
Contract type	Long-term rental - Ended
Asset type	BMW M340 vehicle
Initial book value of right of use (Euro)	40.794
no. of months of depreciation	48
Annual depreciation charge	8.499
annual accrued interest expense (Euro)	215
Principal portion paid during the year (Euro)	9.330
Residual financial debt as at 31/12/2023 (Euro)	0

Contract no.	**18**
Contract type	Long-term rental - Ended
Asset type	BMW X5 xDrive vehicle
Initial book value of right of use (Euro)	45.518
no. of months of depreciation	36
Annual depreciation charge	8.851
annual accrued interest expense (Euro)	279
Principal portion paid during the year (Euro)	9.473
Residual financial debt as at 31/12/2023 (Euro)	0

Contract no.	**19**
Contract type	Long-term rental - Ended
Asset type	BMW X3 vehicle
Initial book value of right of use (Euro)	21.926
no. of months of depreciation	36
Annual depreciation charge	4.872
annual accrued interest expense (Euro)	140
Principal portion paid during the year (Euro)	5.122
Residual financial debt as at 31/12/2023 (Euro)	0

Contract no.	**26**
Contract type	Long-term rental
Asset type	AUDI Q8 55 TFSI vehicle
Initial book value of right of use (Euro)	54.201
no. of months of depreciation	48
Annual depreciation charge	6.303
annual accrued interest expense (Euro)	1.213
Principal portion paid during the year (Euro)	5.754
Residual financial debt as at 31/12/2023 (Euro)	48.447

Contract no.	**27**
Contract type	Long-term rental
Asset type	AUDI Q5 vehicle SPORTBACK 55
Initial book value of right of use (Euro)	37.787
no. of months of depreciation	48
Annual depreciation charge	2.362
annual accrued interest expense (Euro)	378
Principal portion paid during the year (Euro)	1.762
Residual financial debt as at 31/12/2023 (Euro)	36.025

Contract no.	**28**
Contract type	Long-term rental
Asset type	AUDI Q7 60 TFSI vehicle
Initial book value of right of use (Euro)	71.869
no. of months of depreciation	48
Annual depreciation charge	1.497
annual accrued interest expense (Euro)	299
Principal portion paid during the year (Euro)	1.356
Residual financial debt as at 31/12/2023 (Euro)	70.514

Contract no.	**5**
Contract type	Office rental
Asset type	Offices in Latina
Initial book value of right of use (Euro)	69.565
no. of months of depreciation	72
Annual depreciation charge	12.629
annual accrued interest expense (Euro)	441
Principal portion paid during the year (Euro)	13.959
Residual financial debt as at 31/12/2023 (Euro)	1.195

Contract no.	**6**
Contract type	Office rental
Asset type	Offices in Vicenza
Initial book value of right of use (Euro)	79.752
no. of months of depreciation	72
Annual depreciation charge	13.292
annual accrued interest expense (Euro)	729
Principal portion paid during the year (Euro)	1.370
Residual financial debt as at 31/12/2023 (Euro)	5.641

Contract no.	**8**
Contract type	Office rental
Asset type	Offices in Roma
Initial book value of right of use (Euro)	192.409
no. of months of depreciation	72
Annual depreciation charge	33.804
annual accrued interest expense (Euro)	2.480
Principal portion paid during the year (Euro)	37.308

Residual financial debt as at 31/12/2023 (Euro)	29.229

Contract no.	**9**
Contract type	Office rental
Asset type	Offices in Milano
Initial book value of right of use (Euro)	748.624
no. of months of depreciation	72
Annual depreciation charge	124.771
annual accrued interest expense (Euro)	22.136
Principal portion paid during the year (Euro)	131.864
Residual financial debt as at 31/12/2023 (Euro)	351.618

Contract no.	**11**
Contract type	Office rental
Asset type	Offices in Bergamo
Initial book value of right of use (Euro)	85.137
no. of months of depreciation	72
Annual depreciation charge	14.189
annual accrued interest expense (Euro)	4.025
Principal portion paid during the year (Euro)	12.487
Residual financial debt as at 31/12/2023 (Euro)	72.650

Contract no.	**25**
Contract type	Office rental
Asset type	Offices in Piacenza
Initial book value of right of use (Euro)	30.936
no. of months of depreciation	72
Annual depreciation charge	5.156
annual accrued interest expense (Euro)	1.152
Principal portion paid during the year (Euro)	4.848
Residual financial debt as at 31/12/2023 (Euro)	19.986

Contract no.	**22**
Contract type	Office rental
Asset type	Offices in Arezzo
Initial book value of right of use (Euro)	214.303
no. of months of depreciation	72
Annual depreciation charge	35.717
annual accrued interest expense (Euro)	9.164
Principal portion paid during the year (Euro)	28.836
Residual financial debt as at 31/12/2023 (Euro)	185.467

Contract no.	**24**
Contract type	Office rental
Asset type	Offices in Cesena
Initial book value of right of use (Euro)	49.115
no. of months of depreciation	60
Annual depreciation charge	5.730
annual accrued interest expense (Euro)	1.034
Principal portion paid during the year (Euro)	3.866
Residual financial debt as at 31/12/2023 (Euro)	45.248

Section 9 - Intangible assets - Item 90 68.212

9.1 BREAKDOWN OF "INTANGIBLE ASSETS"

Description	2024		2023	
	Assets measured at cost	Assets measured at cost	Assets measured at cost	Assets measured at fair value
1. Goodwill				
2. Other intangible assets	**68.212**		**88.557**	
2.1 generated internally				
2.2 others	68.212		88.557	
Total	**68.212**		**88.557**	

The item "Intangible assets" consists exclusively of investments in software developments.

9.2"INTANGIBLE ASSETS": ANNUAL CHANGES

Description	Total
A. Opening balance	88.557
B. Increases	
B.1 Purchases	
B.2 Write-backs	
B.3 Positive changes in fair value	
- to shareholders' equity	
- to the income statement	
B.4 Other changes	
C. Decreases	
C.1 Sales	
C.2 Amortization	(20.344)
C.3 Value adjustments	
- to shareholders' equity	
- to the income statement	
C.4 Negative changes in fair value	
- to shareholders' equity	
- to the income statement	
C.5 Other changes	
D. Other changes	68.212

Section 10 - Tax assets and Tax liabilities Item 100 of assets and Item 60 of liabilities 829.146

10.1 Breakdown of tax assets: current and deferred

Description	2024	2023
A. Current taxes		
IRES credit	-	-
IRAP tax down payment	-	-
IRAP credit from ACE	18.181	72.969
Regional Production Tax (IRAP) receivables	-	5.946
Total A	**18.181**	**78.915**
B. Prepaid taxes		
Balancing entry in the income statement	821.438	808.957
Balancing entry in shareholders' equity	3.542	4.589
Total B	**824.980**	**813.546**
Total A + B	**843.161**	**892.461**

The item includes the IRAP credit generated by the exceeding ACE that the company determined in compliance with Decree-Law No. 91/2014 and following the clarifications contained in Note 21/E of 3 June 2015 issued by the Inland Revenue Agency.

10.2 10.2 Breakdown of "Tax liabilities: current and deferred"

Description	2024	2023
A. Current taxes		
IRAP payables	11.354	-
Total A	**11.354**	**-**
B. Deferred taxes		
Balancing entry in the income statement	-	-
Balancing entry in shareholders' equity	2.661	2.661
Total B	**2.661**	**2.661**
Total A + B	**14.015**	**2.661**

10.3 CHANGES IN DEFERRED TAX ASSETS (WITH BALANCING ENTRY IN THE INCOME STATEMENT)

Description	2024	2023
1. Opening balance	**808.957**	**808.957**
2. Increases	**12.481**	**-**
2.1 Deferred tax assets recognized during the year		
a) relating to previous years		
b) due to changes in accounting standards		
c) write-backs	12.481	
d) others		
2.2 New taxes or increases in tax rates		
2.3 Other Increases		
3. Decreases	**-**	**-**
3.1 Deferred tax assets cancelled during the year		
a) reversals		
b) write-downs due to irrecoverability		
c) due to changes in accounting policies		
d) others		
3.2 Reductions in tax rates		
3.3 Other decreases		
4. Final amount	**821.438**	**808.957**

10.5 CHANGES IN DEFERRED TAX ASSETS (WITH BALANCING ENTRY IN SHAREHOLDERS' EQUITY)

Description	2024	2023
1. Opening balance	**4.589**	**5.584**
2. Increases		
2.1 Deferred tax assets recognized during the year		
a) relating to previous years		
b) due to changes in accounting standards		
c) write-backs		
d) others		
2.2 New taxes or increases in tax rates		
2.3 Other Increases		
3. Decreases	**1.047**	**995**
3.1 Deferred tax assets cancelled during the year	1.047	995
a) reversals	1.047	995
b) write-downs due to irrecoverability		
c) due to changes in accounting policies		
d) others		
3.2 Reductions in tax rates		
3.3 Other decreases		
4. Final amount	**3.542**	**4.589**

Deferred tax assets on previous tax losses, amounting to EUR 796,348, have been recognized as an asset in the financial statements because it is believed that the company will be able to utilise these tax losses in a limited period of time, based on the economic projections approved by the Board of Directors on 28 January 2025.

The main temporary differences that led to the recognition of deferred and prepaid taxes are summarized in the following table together with the related tax effects. For each of the components shown below, prepaid and deferred taxes were allocated with an IRES rate of 24% and an IRAP rate of 5.57%.

Deductible temporary differences	YEAR 2024		YEAR 2023		INCREASES 2024		INCREASES 2024	
	IRES	IRAP	IRES	IRAP	IRES	IRAP	IRES	IRAP
Previous tax losses	3.318.117		3.318.117	-		-		-
Credit value adjustments	52.540		52.540	-		-		-
Directors	52.000		-	-	52.000	-		-
Employee severance indemnity IAS 19	14.758		19.118	-		-	4.360	-
Total deductible temporary differences	**3.437.415**		**3.389.775**	**-**	**52.000**	**-**	**4.360**	**-**
Summary of deferred tax assets	IRES	IRAP	IRES	IRAP	IRES	IRAP	IRES	IRAP
Total deductible temporary differences	3.437.415		3.389.775	-	52.000	-	4.360	-
Total deferred tax assets	**824.980**		**813.546**	**-**	**12.480**	**-**	**1.046**	**-**

Taxable temporary differences	YEAR 2024		YEAR 2023		INCREASES 2024		INCREASES 2024	
	IRES	IRAP	IRES	IRAP	IRES	IRAP	IRES	IRAP
Difference from AFS valuation	11.087	-	11.087	-	-	-	-	-
Total taxable temporary differences	**11.087**	-	**11.087**	-	-	**-**	-	**-**

Summary of deferred tax liabilities	IRES	IRAP	IRES	IRAP	IRES	IRAP	IRES	IRAP
Total deductible temporary differences	11.087	-	11.087	-	-	-	-	-
Total provision/taxes	**2.661**	-	**2.661**	-	**-**	**-**	**-**	**-**

Section 12 - Other assets - Item 120	798.321

12.1 Breakdown of “Other assets”

Description	2024	2023
Advances to suppliers	48.280	80.787
Bonds receivable	31.569	28.569
R&D credit	-	15.401
Withholding taxes	66.831	-
Credit Notes to be issued	(42.787)	-
Invoices to be issued	-	25.830
Prepayments	127.841	278.140
Advance stamp duty	516.695	298.550
Other assets	49.891	17.041
Total	**798.321**	**744.318**

PART B - INFORMATION ON THE BALANCE SHEET LIABILITIES

Section 1 - Financial liabilities measured at amortised cost - Item 10	1.785.726

1.1 1.1 BREAKDOWN OF "FINANCIAL LIABILITIES AT AMORTIZED COST": "PAYABLES"

1.1 PAYABLES	2024			2023		
	To banks	Towards financial companies	To customers	To banks	Towards financial companies	To customers
1. Loans 1.1 Repurchase agreements 1.2. Loans 2. Lease payables 3. Other payables		2.918	930.274		3.091	651.162
Total		**2.918**	**930.274**		**3.091**	**651.162**
Fair value - level 1						
Fair value - level 2						
Fair value - level 3		*2.918*	930.274		*3.091*	*651.162*
Total fair value		**2.918**	**930.274**		**3.091**	**651.162**

For IFRS 16 disclosure, please refer to point 8.5 "Tangible assets for functional use: annual changes"

1.3 PAYABLES TO FINANCIAL ADVISORS

1.2 PAYABLES TO ADVISORS	2024	2023
Invoices/credit notes received from advisors	230.674	256.693
Invoices/credit notes to be received by advisors	621.860	598.641
Total	**852.534**	**855.334**

Section 6 - Tax liabilities - Item 60	14.015

Please refer to section 10 of the assets.

Section 8 - Other liabilities - Item 80	1.258.428

8.1 BREAKDOWN OF "OTHER LIABILITIES"

Description	2024	2023
Payables to employees and collaborators	-	58.000
Social security and welfare payables	64.557	118.201
Withholding taxes and surcharges	99.675	151.686
Stamp duty payables for quarterly reports	296.080	173.878
Payable for substitute management tax	85.318	3.533
Payables to suppliers	57.102	155.474
Payables to suppliers for invoices and notes to be received	187.534	330.031
Payables to Statutory Auditors for invoices to be received	45.760	41.600
Sundry payables	48.345	54.013
Accrued expenses and deferred personnel expenses	321.252	160.927
VAT payables	52.805	114.284
Total other liabilities	**1.258.428**	**1.361.626**

Most of the payables were paid off in the early months of 2025.

Section 9 - Employee severance indemnities - Item 90 174.903

9.1 "Employee severance indemnities": annual changes

Description	2024	2023
A. Opening balance	**155.580**	**170.043**
B. Increases	**26.313**	**26.881**
B.1 Provisions for the year	26.313	26.881
B.2 Other increases		
C. Decreases	**6.990**	**41.344**
C.1 Settlements made	2.630	37.199
C.2 Other decreases	4.360	4.145
D. Final balances	**174.903**	**155.580**

9.2 Other information

In compliance with the regulations of the supplementary forms of pension, the employee severance indemnities accrued were transferred to external Pension Funds, with the exception of those employees who opted to keep it at the company.

Employee severance indemnities accrued up until 31 December 2024 were discounted on the basis of the technical-actuarial assumptions and valuations under IAS and described in Part A - Accounting Policies. In particular, it should be noted that the analysis was carried out by using financial assumptions that refer to mortality, termination of the company, requests for advances, trend in the real purchasing power of money, succession of investment rates of the sums available.

Section 11 – Patrimonio – Voci 110, 120, 130, 140, 150 e 160	2.779.901

11.1 Breakdown of "Capital"

Types	2024	2023
1. Capital	**2.234.264**	**2.234.264**
1.1 Ordinary shares	2.234.264	2.234.264
1.2 Other shares	-	-

The subscribed and paid-up share capital as at 31 December 2024 is EUR 2,234,264, divided into 2,234,264 registered shares.

11.4 Breakdown of "Share premium reserve"

Types	2024	2023
Reserves - item 140	**340.785**	**601.707**
Share premium reserve	340.785	601.707

11.5 Other information

Types	2024	2023
Reserves - item 150	**212.790**	**212.790**
Profit from previous years	204.364	204.364
Reserve from future share capital increase	-	-
FTA reserve	8.426	8.426
Reserves - item 160	**(7.938)**	**(11.252)**
Employee severance indemnity valuation reserve	(7.938)	(11.252)

PART C - INFORMATION ON THE INCOME STATEMENT

Section 3 - Gains (losses) on disposal or repurchase - Item 30

3.1 Breakdown of gains (losses) on disposal or repurchase

Items/income components	
	Profit
1. Financial assets	
1.1. Financial assets measured at amortized cost:	
- from banks	
- from financial companies	
- from customers	
1.2 Financial assets measured at fair value through profit or loss comprehensive income:	
- debt securities	
- loans	
Total	
2. Financial liabilities measured at amortized cost	
2.1 Payables	
2.2 Outstanding securities	
Total	
TOTAL	

Section 5 - Fees - Items 50 and 60	5.009.578

5.1 Breakdown of "Fee and commission income"

Detail	2024	2023
1. Trading on own account		-
2. Execution of orders on behalf of customers		
3. Placement and distribution	1.996.883	1.202.969
- of securities		
- of third-party services:	1.996.883	1.202.969
portfolio management		
collective management		
insurance products	*1.996.883*	*1.202.969*
others		
4. Portfolio management	3.602.442	2.408.687
- own	3.602.442	2.408.687
- delegated to third parties		
5. Receipt and transmission of orders		
6. Investment advisory	1.575.743	1.081.217
7. Financial structure advisory	2.642.181	3.077.228
8. Management of multilateral trading facilities		
9. Management of organized trading systems		
10. Custody and administration		
11. Currency trading		
12. Other services		
Total	**9.817.250**	**7.770.101**

The fees deriving from the distribution of insurance policies are recorded in sub-item 3 “Placement and distribution”.

5.2 Breakdown of “Fee and commission expense”

Detail	2024	2023
1. Trading on own account		
2. Execution of orders on behalf of customers		
3. Placement and distribution	1.604.639	973.333
- of securities		
- of third-party services:	1.604.639	973.333
portfolio management		
others	*1.604.639*	*973.333*
4. Portfolio management	1.214.529	1.095.436
- own	*1.214.529*	*1.095.436*
- delegated to third parties		
5. Collection of orders		
6. Investment advisory	909.419	417.913
7. Custody and administration		
8. Other services	1.079.085	1.258.904
Total	**4.807.672**	**3.745.586**

Section 6 - Interest - Items 70 and 80	(47.622)

6.1 BREAKDOWN OF "INTEREST INCOME AND SIMILAR REVENUES"

Items/Technical forms	Debt securities	Loans	Other transactions	2024	2023
1. Financial assets measured at fair value through profit or loss: *1.1. Financial assets held for trading* *1.2. Financial assets designated at fair value* *1.3. Other financial assets measured at fair value as per mandatory requirements*					
2. Financial assets measured at fair value with impact on comprehensive income					
3. Financial assets measured at amortized cost *3.1 Receivables from banks* *3.2 Receivables from financial companies* *3.3 Trade receivables*			1.086	1.086	1.690
4. Hedging					
5. Other assets					
6. Financial liabilities					
Total			**1.086**	**1.086**	**1.690**
of which: interest on impaired financial assets					

6.4 Breakdown of "Interest expense and similar charges"

Items/Technical forms	Repurchase agreements	Other loans	Securities	Other transactions	2024	2023
1. Financial liabilities measured at amortized cost						38.336
1.1. To banks				*2.035*	*2.035*	*65*
1.2. Towards financial companies						
1.3. To customers		*46.673*			*46.673*	*38.271*
1.4. Outstanding securities						
2. Financial liabilities from trading						
3. Financial liabilities designated at fair value						
4. Other liabilities						
5. Hedging						
6. Financial assets						
Total	-	46.673	-	2.035	**48.708**	**38.336**
of which: interest on lease payables		*46.673*			*46.673*	*38.271*

S Section 8 - Net value adjustments/write-backs for credit risk - Item 120 (40.112)

8.1 Breakdown of "Net value adjustments/write-backs for credit risks relating to financial assets measured at amortized cost"

Items/Adjustments	Value adjustments						Write-backs				2024	2023
	First stage	Second stage	Third stage		Total		First stage	Second stage	Third stage	Impaired acquired or	Total	Total
			Write off	Others	Write off	Others						
1. Debt securities												
2. Loans												
3. Customers				(40.112)							(40.112)	(58.950)
Total				**(40.112)**							**(40.112)**	**(58.950)**

Section 9 - Administrative expenses - Item 140 4.262.468

9.1 BREAKDOWN OF "PERSONNEL EXPENSES"

Items/Sector	2024	2023
1. Employees	1.602.013	1.539.057
a) wages and salaries	1.131.357	1.090.091
b) social security charges	328.279	322.097
c) severance pay		
d) social security expenses	56.306	47.124
e) provision for employee severance indemnities	20.998	20.816
f) allocation to the provision for pensions and similar obligations:		
- defined contribution		
- defined benefit		
g) payments to external supplementary pension funds:	45.927	49.751
- defined contribution	*45.927*	*49.751*
- defined benefit		
h) other employee benefits	19.146	9.178
2. Other personnel in business		
3. Directors and Statutory Auditors	278.782	226.563
4. Retired Personnel		
5. Expense recoveries for employees seconded to other companies		
6. Reimbursement of expenses for employees seconded to the company		
Total	**1.880.795**	**1.765.620**

9.2 AVERAGE NUMBER OF EMPLOYEES BROKEN DOWN BY CATEGORY

Category	No. of employees year end	Average No. of employees
Executives	3	3
Middle managers	6	6,21
Remaining personnel	4	3,32
Total	**13**	**12,53**

9.3 Breakdown of "Other administrative expenses"

Type	2024	2023
Rents and related expenses	78.168	74.259
Other expenses	58.369	53.939
Insurance	94.888	90.752
Stationery and printed materials	8.831	4.244
Administrative, tax and other services	468.962	502.469
Membership fees	41.410	55.101
Advisor contributions (Enasarco, Firr)	70.826	65.411
Legal formalities - taxes - fees - stamps	17.090	6.965
Training	55.846	32.701
Non-deductible VAT	230.603	154.803
Car rentals and expenses	69.847	46.509
Outsourcing	366.039	341.538
Risk Management and Internal Audit	66.236	64.320
Commercial expenses and Events	190.844	218.082
IT costs	168.794	152.260
Legal and notary expenses	286.335	138.903
Audit expenses	39.896	48.071
Utilities	32.536	30.890
Travel and transfers	36.153	44.645
Grand total	**2.381.673**	**2.125.862**

Section 11 - Net value adjustments/write-backs on tangible assets Item 160 (322.654)

11.1 BREAKDOWN OF "NET VALUE ADJUSTMENTS/WRITE-BACKS ON TANGIBLE ASSETS"

Items/Value adjustments and write-backs	YEAR 2024				YEAR 2023			
	Depreciation (a)	Impairment losses (b)	Write-backs (c)	Net profit/loss	Depreciation (a)	Impairment losses (b)	Write-backs (c)	Net profit/loss
1. For functional use	**322.654**			**322.654**	**273.727**			**273.727**
- Owned	14.540			14.540	17.650			17.650
- Rights of use acquired through lease	308.114			308.114	256.077			256.077
2. Held for investment purposes								
- Owned								
- Rights of use acquired through lease								
Total	322.654			322.654	273.727			273.727

Section 12 – Net value adjustments/write-backs on intangible assets – Item 170 (20.344)

12.1 BREAKDOWN OF "NET VALUE ADJUSTMENTS/WRITE-BACKS ON INTANGIBLE ASSETS"

Items/Value adjustments and write-backs	2024				2023			
	Amortization (a)	Impairment losses (b)	Write-backs (c)	Net profit/loss	Amortization (a)	Impairment losses (b)	Write-backs (c)	Net profit/loss
1. Intangible assets other than goodwill	**20.344**			**20.344**	**41.607**			**41.607**
2.1 owned	20.344			20.344	41.607			41.607
- generated								
- others	20.344			20.344	*41.607*			*41.607*
2.2 Rights of use acquired through con il								
Total	20.344			20.344	41.607			41.607

Section 13 - Other operating income and expenses - Item 180 181.301

13.1 BREAKDOWN OF "OTHER OPERATING INCOME AND EXPENSES"

Operating income	2024	2023
Charge-back of fees for use of spaces	28.200	32.000
Reimbursement of expenses	18.108	19.321
Other income	224.374	43.316
Charge-back for advisory services	24.942	41.264
Total	**295.624**	**135.901**

Operating expenses	2024	2023
Sanctions	16.911	20.995
Other charges	97.412	98.765
Total	**114.323**	**119.760**

Section 18 - Income taxes for the year on current operations - Item 250	(82.211)

18.1 Breakdown of "Income taxes for the year on current operations"

Description	2024	2023
1. Current taxes	(65.308)	(7.829)
2. Changes in current taxes of previous years	(20.720)	
3. Reduction in current taxes for the year	(8.663)	8.663
3bis. Reduction of current taxes e.g. for receivables Law No. 214/2012		
4. Change in deferred tax assets	12.480	
5. Change in deferred tax liabilities		
Taxes for the year	**(82.211)**	**834**

18.2 Reconciliation between theoretical tax expense and actual tax expense in the financial statements

Description	IRES		IRAP	
	Taxable amount	Tax	Taxable amount	Tax
Profit before tax	**497.679**		**2.557.374**	
Theoretical tax rate	24,00%	119.443	5.57%	142.446
Non-deductible/non-taxable differences	286.223		(1.384.871)	
Taxable income for the reversal of temporary differences	**783.902**			
Taxable income	**-**		**1.172.503**	65.308
Transformation of ACE (Aid for Economic Growth) into IRAP credit				8.663
Actual tax burden in the financial statements	-			(73.971)
Effective tax rate	0,00%		2,89%	

With regard to the calculation of current IRES, the taxable income amounts to zero, due to the utilization of tax losses carried forward from previous years for a total amount of €783,902. As a result, the effective tax rate is zero. As for IRAP, current taxes amount to €65,308. From a statutory accounting perspective, it is noted that "tax losses" have been utilized more than those for which deferred tax assets had previously been recognized. Therefore, no recognition of deferred tax assets related to tax losses has been made.

PART D - OTHER INFORMATION

SECTION 1 - SPECIFIC REFERENCES ON THE ACTIVITIES CARRIED OUT

C. PORTFOLIO MANAGEMENT ACTIVITIES

C.1 *Total value of portfolio management*

Description	2024		2023	
	Own management	Delegated management	Own management	Delegated management
1. Debt securities	116.890.285		104.096.503	
of which: government bonds				
2. Equity securities	35.423.637		31.286.032	
3 UCITS units	103.426.881		108.904.009	
4. Derivative instruments				
- financial derivatives				
- credit derivatives				
5. Other assets	16.959.191		17.856.766	
6. Liabilities				
Total managed portfolios	**272.699.994**	**-**	**262.143.310**	**-**

Other assets mainly include the liquidity of managed customers. It should be noted that the difference compared to the total amount reported in the management report arises from the fact that the latter takes into account the settlement of transactions based on value date.

C.2 *Own and delegated management: operations in the year*

Description	Counter value		
	Transactions with group counterparties	Transactions with other counterparties	SIM transactions
A Own management			
A1. Purchases during the year	-		-
A.2 Sales during the year	-		-
B. Delegated management			
B.1 Purchases during the year	-		-
B.2 Sales during the year	-		-

C.3 *Own management: net deposits and number of contracts*

Description	2024	2023
Deposits for the year	135.291.498	67.561.144
Repayments during the year	131.683.437	26.727.402
Number of contracts	649	615

D. PLACEMENT ACTIVITIES

The company provides an accessory service for the distribution of insurance products, whose object is standardized proposals with the aim of providing adequate coverage of the needs of its customers.

The distribution of insurance contracts by SCM SIM and the relative advisors recorded in section E is carried out solely with reference to the placement of standardized insurance contracts, as required by Article 41 of IVASS Regulation No. 5/2006.

In 2024, the company placed new insurance products with a total premium value exceeding EUR **14** million.

On 4 May 2016, the SIM obtained, with Consob resolution no. 19599, the authorization to carry out the placement of financial instruments without an irrevocable commitment towards the issuer.

In this context, the company distributes the shares of the "Secondo Pensione" fund of SGR Amundi. The number of contracts outstanding as at 31.12.2023 was **238**.

The company gave a major boost to this activity with the entry of numerous insurance advisors during 2024, and entered into new placement agreements with other product companies, in order to expand the range of products and services offered to customers.

F. INVESTMENT ADVISORY

The number of advisory contracts in place as at 31 December 2024 was **69**.

SECTION 2 - INFORMATION ON RISKS AND RELATED HEDGING POLICIES

2.1 MARKET RISKS

The Company is not specifically subject to this type of risk from a regulatory point of view as it is not authorized to trade on its own account and to placement as collateral. Moreover, in consideration of the nature of the activity carried out by the SIM, the type of investments represented by current account deposits and financial assets with a short-term residual life that can be readily liquidated and the absence of any form of indebtedness, it is believed that the SIM is not exposed to any significant market risks.

INTEREST RATE RISK

It expresses the risk deriving from potential changes in interest rates. The Company is not exposed to this risk since as at 31 December 2023 it did not have a proprietary portfolio invested in securities.

PRICE RISK

The company is not exposed to this type of risk as it does not hold securities in its portfolio. For this reason, the Company has not developed specific models for price risk analysis.

CURRENCY RISK

It expresses the risk associated with holding or assuming positions in foreign currency. SCM SIM is not exposed to this risk as it has no current accounts in currencies other than the euro, nor positions in gold or on financial instruments denominated in currencies other than the euro.

2.2 OPERATIONAL RISKS

QUALITATIVE INFORMATION

1. General aspects

Operational risk means the possibility of incurring losses deriving from inadequacy or malfunctions of:

- *human resources*: these are factors relating to any errors, fraud, violation of internal rules and procedures and, in general, problems of incompetence or negligence on the part of SIM personnel or financial advisors;
- *systems and technology*: these events include problems relating to information systems, application programming errors, outages in the IT or telecommunications network;
- *processes*: these are events related to breaches of IT security caused by a poor internal control system, transaction settlement errors, accounting errors and transaction documentation errors, errors in risk measurement systems caused by inadequate models and methodologies;
- *external factors*: this category of events includes all those events that are beyond the control of the SIM; examples may be changes in the tax, regulatory, legislative or political environment that may negatively affect profitability, or criminal acts of vandalism committed by parties outside the SIM, or harmful natural events;
- contractual or extra-contractual **liability**;
  - **sustainability**: the possibility of being adversely affected by environmental issues including, for example, climate risk, both physical and transitional; social, such as labour and inequality; and governance including, the Board of Directors' composition and effectiveness, corruption or mis-selling practices.

2.3 CREDIT RISK

QUALITATIVE INFORMATION

This item reflects the risk of loss due to debtor default. The Company is primarily exposed to such risk through its deposits with other financial intermediaries, as well as through its exposure to Financial Advisors for advances granted at the start of their activity.

The assessment of any credit risk on advances disbursed to financial advisors is carried out periodically by the Management, through a comparison with the financial advisors' ability to generate fees; If the financial advisors' production capacity indicates potential issues in recovering the advance, Management considers possible write-downs and agrees on a repayment plan. In the event of resignation, advisors are required to repay the advances obtained; any anomalies in the reimbursement are monitored by the Management, in coordination with lawyers external to the SIM, in order to proceed with the related recovery.

QUANTITATIVE INFORMATION

Large exposures

Pursuant to current supervisory regulations, the company does not have situations that could be considered as “significant risks”.

2.4 LIQUIDITY RISK

QUALITATIVE INFORMATION

1. General aspects, liquidity risk management processes and measurement methods

Liquidity risk management is based on proportionality criteria and considers the operational specificities of the SIM. The risk was identified as the possibility that the SIM may not be able to fulfil its obligations relating to the payment of salaries to personnel, fees to Financial Advisors and invoices received, with specific reference to cash commitments. This risk is deemed as low because the SIM's own assets are kept liquid.

QUANTITATIVE INFORMATION

Time distribution by residual contractual duration of financial assets and liabilities - Currency of denomination: EURO

Items/Time brackets	Sight	From 1 day to 7 days	From 7 days to 15 days	From 15 days to 1 month	From 1 month to 3 months	From 3 months to 6 months	From 6 months to 1 year	From 1 year to 3 years	From 3 years to 5 years	Over 5 years
Cash assets	1.269.946	-	-	13.401	1.868.867	397.630	193.998	70.000	-	-
A.1 Government bonds										
A.2 Other debt securities										
A.3 Loans										
A.4 Other assets	1.269.946			13.401	1.868.867	397.630	193.998	70.000		
Cash liabilities	**-**	**-**	**2.918**	**-**	**933.260**	**76.435**	**143.537**	**463.139**	**166.438**	**-**
B.1 Payables to										
- *Banks*										
- *Advisors*					852.534					
- *Financial companies*			2.918							
- *Customers*										
B.2 Debt securities										
B.3 Other liabilities					80.725	76.435	143.537	463.139	166.438	
Off-balance sheet transactions										
C.1 Financial derivatives with exchange of capital										
C.2 Financial derivatives without exchange of capital										
C.2 Loans to be received										

Note that there are no cash assets and liabilities with a maturity of more than 5 years or with an indefinite duration.

LEGISLATION

EU Regulation 2019/2033 (IFR) and EU Directive 2019/2034 (IFD) outlined the new regulatory framework for investment firms (SIM).The new rules have simplified the system previously in force by strengthening the principle of proportionality for this type of intermediary. The company is not part of the investment companies that, in relation to the total value of consolidated assets, are considered "credit institutions" subject to the regulatory framework envisaged for Banks and, due to the authorization to hold the assets of customers, belongs to the category 2.

Calculation according to the k-factor method

The k-factor method introduced with the Regulation in question divides the SIM risks into three distinct types: Risk to client, Risk to the market and Risk to the company itself. The total value of the exposures determined by the application of the K-factors representing the risks is equal to EUR **168,844**.
Details of the various types of risk are provided below.

RISKS TO CLIENT

Type of risk	K- factor		%
Risk to client (RtC)	Assets under management - including advisory (k-AUM)		0,02
	Client money held (k-CMH)	On separate accounts	0,4
		On non-separated accounts	0,5
	Assets held on behalf of customers (k-ASA)		0,04
	Client orders handled (k-COH)	Spot transactions	0,1
		Derivative transactions	0,01

The SIM is exposed to this type of risk and the quantification method adopted by the company to determine the requirement is the one deriving from the application of the k-factors envisaged by the regulations. With regard to client assets, the company is exposed for assets under management and advisory (k-AUM), client money held (CMH), assets held (COH) and client orders handled (COH).RtC (Risk to client) is representative of the SIM business areas that could cause damage to customers in the event of problems such as, for example, those deriving from incorrect discretionary management of portfolios or from their poor execution. The K-ASA factor reflects the risk of safeguarding and administering client assets and ensures that investment firms hold capital in proportion to the corresponding balances. The K-CMH factor reflects the risk of potential damage in the case of an investment firm that holds the money of its customers, taking into account the fact that this appears on its own balance sheet or on third party accounts.

MARKET RISKS

The company, not being authorized to trade on its own account, is not exposed to this type of risk.

RISKS TO THE COMPANY

The company, being not authorized to trade on its own account, is not exposed to these types of risk.

LIQUIDITY RISK

A potential risk regards the company's ability to meet its obligations related to the payment of employee salaries, commissions to Financial Advisors, and supplier invoices, specifically with reference to cash flow commitments. However, this risk is considered to be of low significance, as the SIM holds its own capital primarily in liquid assets. The new regulation envisages a requirement for liquidity to be held in liquid assets or assets that can be readily liquidated, at least equal to 1/3 of the requirement relating to fixed overheads (i.e. 1/12 of fixed overheads). As at 31/12/2024, the investment company held cash and cash equivalents of EUR **355** thousand against a requirement of EUR **1.270** thousand.

SECTION 3 - INFORMATION ON EQUITY

3.1 COMPANY ASSETS

3.1.1 QUALITATIVE INFORMATION

The Company's equity consists of the fully paid-up Share Capital, share premium reserves, profit reserves and profit (loss) for the year. The management of company assets is aimed at the temporary investment of company liquidity and not at conducting operational trading activities. The Board of Directors is responsible for defining the financial instruments in which to invest, the operating limits and the valuation criteria of the securities in the portfolio, taking into account the type of investment services.

On 23 December 2022, the Bank of Italy published the Supervisory Regulation on SIMs, aimed at completing the transposition into national law of the IFD/IFR framework in the exercise of the national discretions recognized to the Bank of Italy. The regulatory source, applicable as of 2023, also aims to define, inter alia, the minimum capital to be held, which will be commensurate with the type of investment services and activities performed.

In order to verify ongoing compliance with the capital limits set by the Supervisory Body, corporate procedures provide for the periodic monitoring of capital absorption for each individual type of risk.

With the aim of measuring the effects of exceptional but potentially verifiable risk events, the company conducts sensitivity analyses with respect to the main risks assumed. With regard to stress testing techniques, the SIM has implemented sensitivity analyses (i.e. analyses aimed at verifying the impact of "extreme" changes in a single risk factor at a time, on the equity position of the SIM) and not scenario analyses, which consider changes in several risk factors at the same time. Stress testing allows the SIM to assess its risk exposure and the capital required to cover it, as well as the accuracy of the risk assessment models.

3.1.2 QUANTITATIVE INFORMATION

The following table shows the breakdown of shareholders' equity with indication of the individual amounts relating to the items that comprise it.

3.1.2.1 Company equity: breakdown

Description	2024	2023
1. Capital	2.234.264	2.234.264
2. Share premium reserve	340.785	601.707
3. Reserves		
- of profits	204.364	204.364
a) legal		
b) statutory		
c) treasury shares		
d) others	*204.364*	*204.364*
- others	8.426	8.426
4. (Treasury shares)		-
5. Valuation reserves	(7.938)	(11.252)
Measurement of employee severance indemnity IAS 19	*(7.938)*	*(11.252)*
6. Equity instruments		
7. Profit (loss) for the year	415.468	(260.922)
Total	**3.195.369**	**2.776.587**

3.2OWN FUNDS AND REGULATORY RATIOS

3.2.1 I Own funds

3.2.1.1 QUALITATIVE INFORMATION

Own funds are calculated as the algebraic sum of a series of positive and negative elements, whose inclusion is allowed, with or without limitations, in relation to their asset quality.

In detail, own funds consist of the following aggregates:

1) Tier 1 capital, in turn made up of Common Equity Tier 1 capital (CET 1) and Additional Tier 1 capital (AT2);
2) Tier 2 capital (Tier2).

In compliance with the provisions of the CRR, Common Equity Tier 1 capital is composed of share capital and reserves, less net intangible assets and 100% of deferred tax assets.

3.2.1.2 QUANTITATIVE INFORMATION

Description	2024	2023
A. Common Equity Tier 1 (CET1) before the application of prudential filters	2.302.176	1.874.485
of which CET1 instruments subject to transitional provisions		
B. CET1 prudential filters (+/-)		
C. CET1 gross of elements to be deducted and effects of the transitional regime (A +/- B)	2.302.176	1.874.485
D. Elements to be deducted from CET1		
E. Transitional regime - Impact on CET1 (+/-)		
F. Total Common Equity Tier 1 (CET1) (C – D +/-E)	**2.302.176**	**1.874.485**
G. Additional Tier 1 (AT1) gross of elements to be deducted and the effects of the transitional regime		
of which AT1 instruments subject to transitional provisions		
H. Elements to be deducted from AT1		
I. Transitional regime - Impact on AT1 (+/-)		
L. Total Additional Tier 1 (AT1) (G - H +/- I)		
M. Tier 2 capital (T2) gross of elements to be deducted and the effects of the transitional regime		
of which T2 instruments subject to transitional provisions		
N. Elements to be deducted from T2		
O. Transitional regime - Impact on T2 (+/-)		
P. Total Tier 2 capital (T2) (Tier 2 –T2) (M - N +/- O)		
Q. Total own funds (F + L + P)	**2.302.176**	**1.874.485**

3.2.2 Capital adequacy

3.2.1.1 QUALITATIVE INFORMATION

Regulation 2019/2033 (art. 9) requires the SIM to have own funds consisting of the sum of Common Equity Tier 1 capital, Additional Tier 1 capital and Tier 2 capital and to satisfy all of the following conditions at all times:

- $\frac{\text{Capitale primario di classe 1}}{\text{Capitale minimo da detenere}} >= 56\%$
- $\frac{\text{Capitale primario di classe 1 + Capitale aggiuntivo di classe 1}}{\text{Capitale minimo da detenere}} >= 75\%$
- $\frac{\text{Capitale primario di classe 1 + Capitale aggiuntivo di classe 1 + capitale classe 2}}{\text{Capitale minimo da detenere}} >= 100\%$

	Requirement	Own funds	%	Surplus
Common Equity Tier 1 / D> = 56%	549.137	2.302.176	419%	1.753.039
Common Equity Tier 1 capital + Additional Tier 1 capital / D> = 75%	735.452	2.302.176	313%	1.566.724
Common Equity Tier 1 capital + Additional Tier 1 capital + Tier 2 capital / D> = 100%	980.603	2.302.176	235%	1.321.573

D = MINIMUM CAPITAL TO BE HELD

3.2.1.2 QUANTITATIVE INFORMATION

In accordance with Article 11 of Reg. 2033, Category 2 SIMs are required to hold Own Funds, calculated by applying the provisions of CRR2, at least equal to the higher of the following amounts:

1. Requirement equal to 25% of fixed overheads referring to the previous year;
2. Their minimum capital requirement as defined by Article 11 of the IFD;
3. The requirement calculated according to the k-factor methodology.

Own funds requirements (pursuant to Article 11 of Reg. No. 2019/2033)	31/12/2024
Minimum capital requirement	150.000
Fixed overheads requirement	980.603
K factor requirement	168.844

Given the above, the Company has a higher amount of own funds than the minimum requirement.

SECTION 4 - STATEMENT OF COMPREHENSIVE INCOME

Items	2024	2023
10. Profit (loss) for the year	415.468	(260.922)
Other income components net of taxes without reversal to the income statement		
20. Equity securities designated at fair value through other comprehensive income		
30. Financial liabilities designated at fair value through profit or loss		
40. Hedging of equity securities designated at fair value through other comprehensive income		
50. Tangible assets		
60. Intangible assets		
70. Defined benefit plans	4.360	4.145
80. Non-current assets held for sale		
90. Portion of valuation reserves of equity investments reported using the equity methods		
100. Income taxes relating to other income components without reversal to the income statement	1.046	(995)
Other income components net of taxes with reversal to the income statement		
110. Foreign investment hedging		
120. Exchange rate differences		
130. Hedging of financial flows		
140. Hedging instruments		
150. Financial assets (other than equity securities) measured at fair value through other comprehensive income		
160. Non-current assets and groups of assets held for sale		
170. Portion of valuation reserves of equity investments reported using the equity methods		
180. Income taxes relating to other income components with reversal to the income statement		
190. Total other income components	3.314	3.150
200. Comprehensive income (Voce 10+170)	418.782	(257.772)

SECTION 5 - RELATED PARTY TRANSACTIONS

5.1 INFORMATION ON THE REMUNERATION OF KEY MANAGEMENT PERSONNEL

Role	Remuneration	Expiry
Board of Directors	148.000	Annual Report 31/12/2026
Board of Statutory Auditors	40.000	Annual Report 31/12/2026

It should be noted that the fees indicated do not include VAT, social security contributions and reimbursement of expenses, and the variable component is not included.

5.2 RECEIVABLES AND GUARANTEES GIVEN IN FAVOUR OF DIRECTORS AND STATUTORY AUDITORS

The company has no receivables due from directors. There are no guarantees issued in favour of directors and statutory auditors.

5.3 INFORMATION ON TRANSACTIONS WITH RELATED PARTIES

Related party transactions, carried out within the scope of the ordinary business operations, were concluded under normal market conditions, particularly with regard to pricing, payment terms, and conditions.

The table below shows assets, liabilities, advisory and portfolio management contracts in place in 2024 and relating to the related parties identified by the investment company with reference to the provisions of IAS 24.

	Directors and Executives parent company	Directors and Executives	Other related parties
Individual portfolio management	2.437.400	5.957.887	2.364.816
Investment advisory	-	-	-
Generic advisory	-	-	-

The table below shows the revenues for the year 2024 relating to related parties:

	Directors and Executives parent company	Directors and Executives	Other related parties
Individual portfolio management	79.138	37.570	33.789
Investment advisory	0	0	444
Generic advisory	0	0	0

On 30 June 2021, the company signed a contract with the holding company HPS S.r.l. for the provision of centralized services, which involves a total annual outlay of EUR 60 thousand.

SECTION 8 - OTHER INFORMATION8.1 AVERAGE NUMBER OF FINANCIAL ADVISORS

The average number of financial advisors in 2024 was **27**.

8.2 OTHER

Disclosures pursuant to article 2427-bis of the Italian Civil Code: information on the fair value of financial instruments

As at 31 December 2024, the company held no bonds; for further details, please refer to Section 4 of the Explanatory Notes - Balance Sheet - Assets .

DISCLOSURES PURSUANT TO POINT 7-BIS OF ARTICLE 2427 OF THE ITALIAN CIVIL CODE: USE AND DISTRIBUTION OF EQUITY ITEMS

SHAREHOLDERS' EQUITY	31/12/2024	Reserve of capital/profits	Possibility of use	Amount available	Use in the last three years
Share capital	2.234.264	---	---	---	
Share premium reserve	340.785	Capital R.	ABC	340.785	1.328.180
Profit from previous years	204.364	Profit R.	ABC	204.364	
FTA reserve	8.426				
Valuation reserve	(7.938)	R. Capitale			
Net profit	415.468		ABC	394.695	
TOTAL	3.195.369			939.844	
		Non-distributable portion		-	
		Available portion that can be distributed		939.844	

A = share capital increase *B = coverage of losses* *C = distribution to shareholders*

The reserves in the last three years were used exclusively to cover losses.

Disclosure pursuant to Article 2427 of the Italian Civil Code and Article 37, paragraph 16, of Legislative Decree No. 39/2010 The following table shows the fees pertaining to 2023, for auditing services and for services other than auditing ones provided by the same Auditing Firm and by entities belonging to its network.

Services	Company	Recipient	Consideration
Audit services	*Crowe Bompani Assurance*	SCM SIM	31.500
Certification	*Crowe Bompani Assurance*	SCM SIM	6.000
Other services			0
Total			37.500

It should be noted that the fees indicated above do not include VAT and expenses

Milan, 18 March 2025

THE CHAIRPERSON OF THE BOARD OF DIRECTORS

Maria Leddi

The undersigned MARIA LEDDI, Chairperson of the Board of Directors of the company SOLUTIONS CAPITAL MANAGEMENT SIM S.p.A., aware of the criminal liability envisaged in the event of false declaration, certifies, pursuant to art. 47 of Presidential Decree 445/2000, the correspondence of this document to that kept in the company’s records.

Stamp duty paid virtually through the Milan Chamber of Commerce, authorization no. 3/4774/2000 of 19/07/2000.

THE CHAIRPERSON OF THE BOARD OF DIRECTORS

Maria Leddi