Annual Report

YOUNITED

For the year ended
December 31, 2024

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YOUNITED GROUP

MANAGEMENT REPORT

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Leading the Transformation of Financial Services in Europe

Younited was founded with a simple yet powerful mission: to reinvent consumer lending in Europe by making it as seamless and instant as any modern payment method.

Since our inception in 2012, we have built a leading platform across four European markets – France, Italy, Spain and Portugal – powered by advanced credit scoring algorithms, artificial intelligence, open admin and open banking (PSD2) data. Our core ambition remains unchanged: to deliver fast, transparent, and responsible financial solutions that improve the well-being of European households.

2024: A Year of Strategic Transformation

The macroeconomic turbulence of the past two years – marked by high inflation, sharp interest rate hikes, and tighter household budgets posed considerable challenges. Yet, Younited proved resilient. Thanks to our agile operating model and committed team, 2024 became not just a year of recovery, but a year of reinvention through strategic investment and innovation.

We emerged stronger from the volatile environment, more efficient, with a business model poised for sustained and profitable growth.

Financial Highlights

Despite a tough environment, Younited delivered, as expected, the following, strong results in 2024:

- **Gross Merchandise Volume (GMV):** €1,015 million
- **Total Revenue:** €125 million
- **Adjusted Net Income:** €(49) million[2]
- **CET1 Ratio:** 29.4%[3]
- **Liquidity & Funding ratios:** LCR 3,227% – NSFR 166%[3]

But 2024 was not just about these numbers – it was about building the foundation for the next decade of growth and expansion.

Strategic Achievements in 2024

Throughout the year, we delivered major strategic milestones:

1. **Enhanced Risk Models:** we released 13 new versions of our scoring algorithms, improving financing access while reducing cost of risk by 22% for new loan cohorts (from Q4 2023 to Q4 2024).
2. **AI Integration:** we continued to extensively integrate AI into our operations and tech infrastructure, driving down both fixed and variable costs.
3. **Portfolio Optimization:** we sold five non-performing loan portfolios (France, Italy, Spain), initiating our Return on Equity (ROE) uplift strategy.
4. **Capital Markets Milestones:** we successfully placed two AA-rated Italian ABS transactions[1] – our first since the landmark AAA-rated French issuance in 2019 – further broadening our funding options.
5. **Outstanding Customer Experience:** we achieved Trustpilot scores of 4.7 to 4.9 across markets, positioning Younited as one of Europe's most trusted fintech brands.

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[1] Youni 2024-1 in April 2024 and Youni 2025-1 in March 2025 – [2] excluding non-cash expenses settled in capital instruments and Non-recurring items - [3] Younited S.A. standalone derived from Younited S.A. statutory accounts prepared in accordance with French GAAP as at Dec 31 2024 as per CRR,

A New Chapter of Growth and Scale

As macroeconomic conditions stabilized in late 2024, we took the following decisions:

- **Strategic Merger:** we merged Younited S.A. with Iris Financial S.A. to form a leading listed European fintech, raising approximately €152 million in growth capital.
- **Funding Model Evolution:** at the end of 2024 we transitioned from an originate-to-distribute funding model to a balance-sheet funding model, further leveraging our banking license which enables us to fund most of our lending through term-deposits – reducing reliance on wholesale markets and strengthening resilience.

Together, these strategic shifts mark a pivotal step in Younited's evolution from a digital lender to a next-generation, full-spectrum financial platform.

Looking Ahead: 2025 and Beyond

With inflation now below 3% and lending margins returning to pre-crisis levels, Younited is well-positioned to:

- Achieve profitability by the fourth quarter of 2025
- Grow annual GMV by double digit % during 2025
- Expand into new product verticals leveraging our PSD2 data ecosystem and loyal client base
- Continue investing in technological leadership to scale efficiently

We are confident in our path forward. The fintech landscape is evolving rapidly — and Younited is ready to lead.

A Note of Thanks

To our shareholders, new and longstanding – thank you for your trust and belief in our mission. To our clients and partners – you are at the center of everything we do.

To our Board members – thank you for your guidance and support in executing our strategy.

And to our 500+ employees across Europe – your passion, resilience, and ambition are the driving force behind our success.

Together, we are building the future of consumer finance.

We look to 2025 with clarity, ambition, and energy.

Charles Egly
Chief Executive Officer
Younited Financial

Charles Egly

SECTION 1 Presentation of Younited Financial

1.1 Group Overview

Younited Financial S.A. (hereinafter referred to as ‘the Company’) is a public limited liability company (*société anonyme*) existing under the laws of the Grand Duchy of Luxembourg. The Company was initially incorporated as a special-purpose acquisition company (SPAC) under the laws of the Cayman Islands. Its primary objective was to execute a business combination — such as a merger, share exchange, asset acquisition, or reorganization — with a company operating in the financial services sector in Europe. Until the Business Combination, its activities were primarily focused on organizational structuring, identifying potential target companies, and preparing and executing its Initial Public Offering (IPO) and the subsequent Business Combination.

On December 20, 2024 (the ‘Closing Date’), the Company completed the acquisition of Younited S.A. under the terms of the Business Combination Agreement signed on October 7, 2024 (as amended on November 29, 2024) and after the Company converted on December 12, 2024 to a public limited liability company (*société anonyme*) under the laws of Luxembourg without disruption of its legal personality.

With the acquisition, the Company and Younited S.A. now form a group (referred to as "Younited" or "the Group"), combining their strengths to expand across Europe.

As an ECB authorized credit institution that is supervised by the French Central Bank *Autorité de Contrôle Prudentiel et de Résolution* (ACPR), Younited S.A. benefits from the single regulatory framework applicable in all countries throughout the European Economic Area.

Younited S.A. is authorized to act under the freedom of establishment for credit activities in the following countries: in Italy, supervised by ACPR (as the competent authority of the home member state) and Bank of Italy (as the competent authority of the host member state), in Spain, supervised by ACPR (as the competent authority of the home member state) and Bank of Spain (as the competent authority of the host member state), in Portugal, supervised by ACPR (as the competent authority of the home member state) and Bank of Portugal (as the competent authority of the host member state), in Germany, supervised by ACPR (as the competent authority of the home member state) and BaFin (as the competent authority of the host member state).

Younited S.A. is registered in relation with its insurance activity in France, with the Registre unique des intermédiaires en assurance, banque et finance (“ORIAS”) under no. 11061269 as (i) Insurance intermediary (MIA) and (ii) Insurance or reinsurance broker (COA), in Italy, as insurance intermediary established in Italy under no. UE00009799 of “Annexed list” to Register of Insurance and Reinsurance Intermediaries, held by IVASS – Istituto per la vigilanza sulle assicurazioni, in Portugal, as an insurance agent, with the number 924050235, with the Portuguese regulator, Autoridade de Supervisão de Seguros e Fundos de Pensões ASF, in Belgium, as an insurance intermediary with the no. 11061269 under a passport as freedom to provide service with the Belgian regulator, the FSMA – Autorité des services et marchés financiers.

A Trusted Partner in Credit Services

Since its inception, Younited has been committed to providing innovative and reliable credit solutions across the European Union. As a specialized French credit institution and investment services provider, Younited operates under the strict supervision of the Autorité de Contrôle Prudentiel et de Résolution (ACPR) and the Autorité des Marchés Financiers (AMF), ensuring that it adheres to the highest standards of service and compliance.

1.2 Key Figures

Since its founding, Younited has become a trusted leader in the European consumer credit space, proudly serving over 1.6 million customers across the European Union. As of 31 December 2024, the company has originated over €6.9 billion in GMV, with €1 billion in loan originations in 2024 alone. Notably, 49% of Younited's GMV now originates from outside France, underscoring the success of our pan-European expansion strategy.

At the heart of our success is a powerful, scalable technology platform powered by open banking data, cutting-edge APIs, and AI-driven credit scoring. This enables us to deliver seamless, transparent financial products across multiple markets, including instant credit, point-of-sale financing, and insurance solutions.

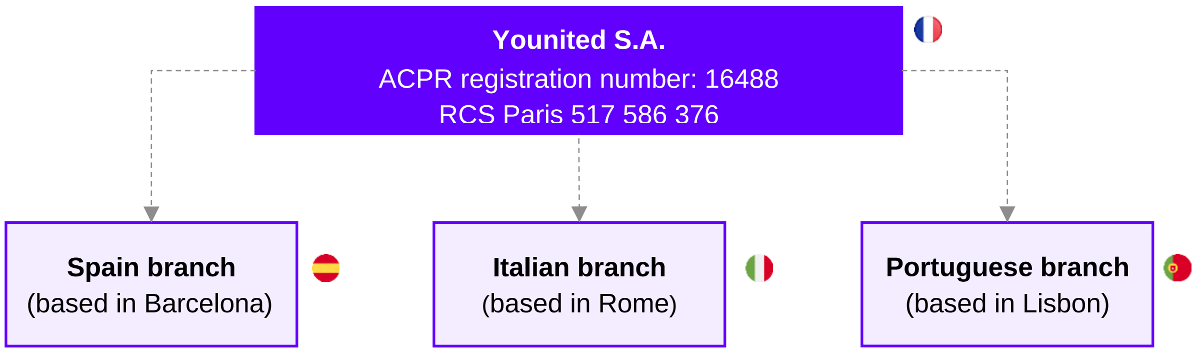
Younited's diverse customer acquisition model, which includes direct-to-consumer channels, partnerships with financial institutions, and collaborations with merchants, ensures that our products are easily accessible and adaptable across different regions and business sectors.

As of December 31, 2024, our team comprises 511 full-time equivalent employees on average, including talented engineers and data scientists, all committed to Younited's vision of financial inclusion. Our continued focus on responsible lending practices, customer-centric products, and a strong corporate culture positions us for long-term success as we expand across Europe.

1.3 Operational Organisation and subsidiaries

The following chart sets out the organisational structure of Younited:

Corporate structure as of December 2024:
1 legal entity and 3 branches.



1. **1 legal entity: Younited S.A.**
2. **3 branches, opened under EU Freedom of Establishment regulations**

Younited operates with a streamlined and efficient organizational structure that facilitates its pan-European expansion while maintaining high levels of service and compliance across the jurisdictions in which it operates.

The Company is organized as a centralized, full-stack consumer credit platform, which is scalable and adaptable to local markets. It combines robust technological capabilities with deep expertise in credit risk assessment, regulatory compliance, and financial services. The organizational structure ensures that the company can easily deploy and expand its solutions across various geographies, managing both direct-to-consumer offerings and partnerships with financial institutions and merchants.

Geographic market

Younited's geographic presence spans several key European countries, including:

- France (home market)
- Italy
- Spain
- Portugal

These countries represent the core markets for Younited's business activities, where the company offers its consumer credit solutions, including instant credit and point-of-sale financing, alongside its open banking services and insurance product distribution.

Revenue Breakdown by Country

For the fiscal year ending December 31, 2024, Younited's revenue was predominantly generated from its core markets in France and Italy. The breakdown is as follows:

- France: €45,227 thousand
- Italy: €24,493 thousand
- Iberia and other countries: €24,951 thousand

With a robust technological backbone and a deep understanding of local markets, Younited continues to enhance its offerings and solidify its position in key European markets, ensuring sustained growth and value for its customers and partners.

1.3.1 Younited's Business Model

Younited believes that it offers a differentiating consumer credit solution that combines the instant decisioning and digital journey advantages of "buy now, pay later" players with the ticket and maturity sizes, licensing and robustness of credit models of traditional lenders. In this manner, Younited aims to challenge and transform the European lending market beyond consumer credit, by offering simple and transparent products that help households reach financial well-being.

- **Younited's Product Solutions**

With its suite of four simple and transparent consumer solutions, Younited has financed more than €6.9 billion in loans and earned the trust of more than 1.6 million customers since its inception.

Younited believes that its four product solutions make customers' lives easier by offering clear-cut conditions, instant approval, no hidden fees and the backing of full consumer protection. Over the period covered by Younited's historical financial information, Younited has offered the following product solutions:

- **Unsecured personal loans.**

Younited Credit offers instant decision personal amortising loans in amounts up to €56,000 and with maturities of up to 84 months, which are available both on Younited websites and through its financial institution's partners.

- **Point-of-sale payments via instant credit.**

Younited Pay offers fully digital point-of-sale financing solutions, currently focused on amounts ranging from €200 to €50,000 and maturities from 10 to 84 months. Natively fitted for e-commerce merchants, Younited Pay is available both through merchants' websites and physical stores.

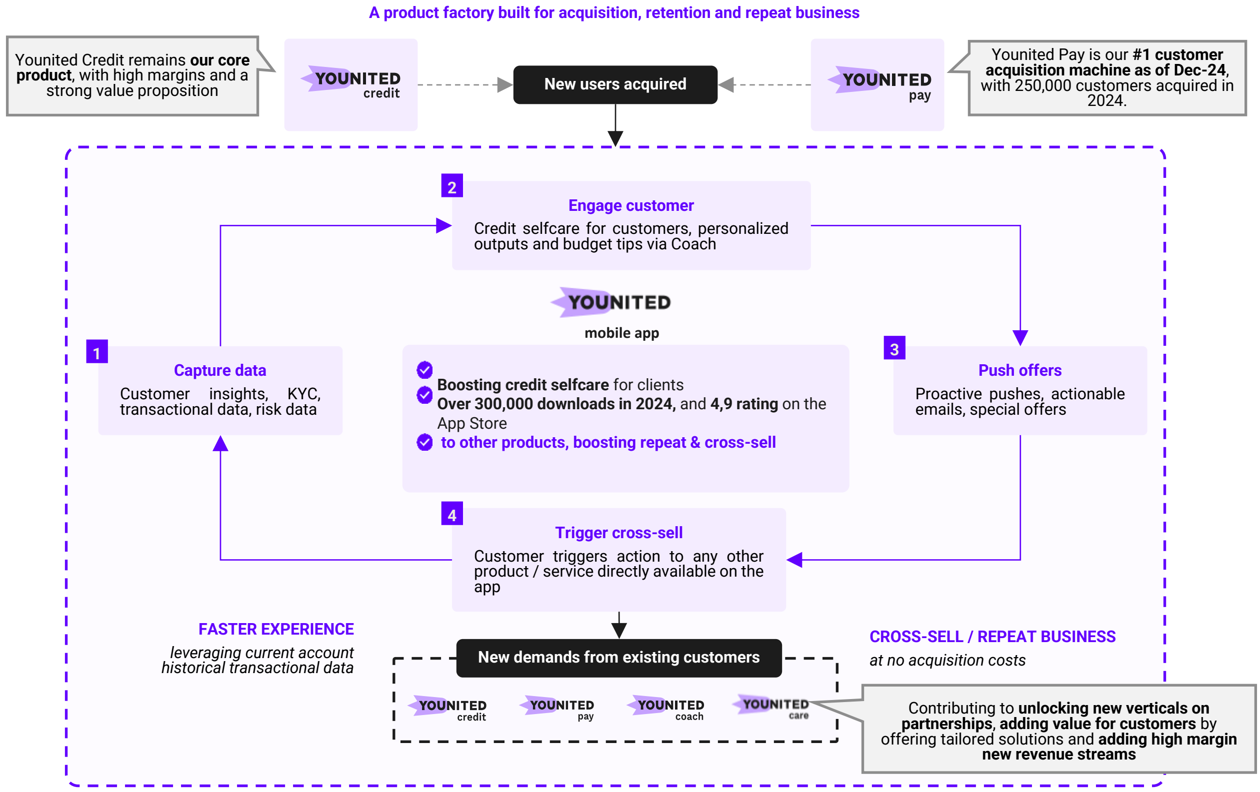
- **Free budget advisory services.**

Younited Coach provides free budget advisory services that leverage open banking to generate personalized recommendations for money management.

- **Insurance**

Younited Care offers credit protection insurance products, including life, disability and unemployment insurance, as well as affinity insurance products, with loss-of-income insurance live since mid-2023. Additional insurance products are targeted at being launched in the next few years.

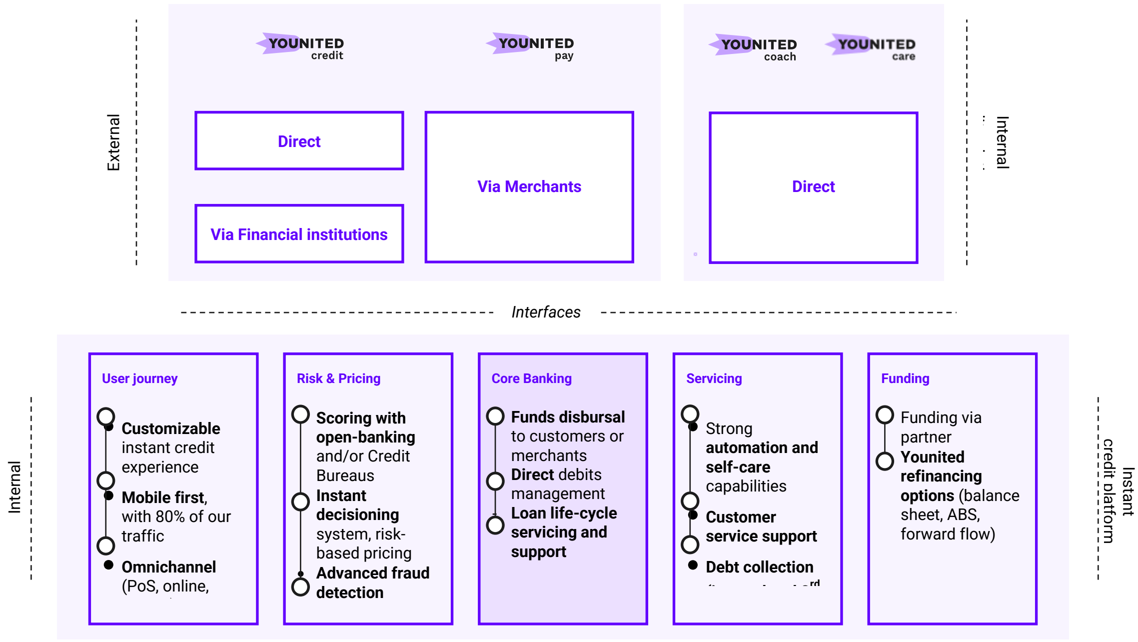
Younited's suite of product solutions has been structured to optimize cross-selling, scaling a flywheel effect of customer acquisition, retention and a business, as shown in the graphic below:



1.3.2 Younited's Technology Platform

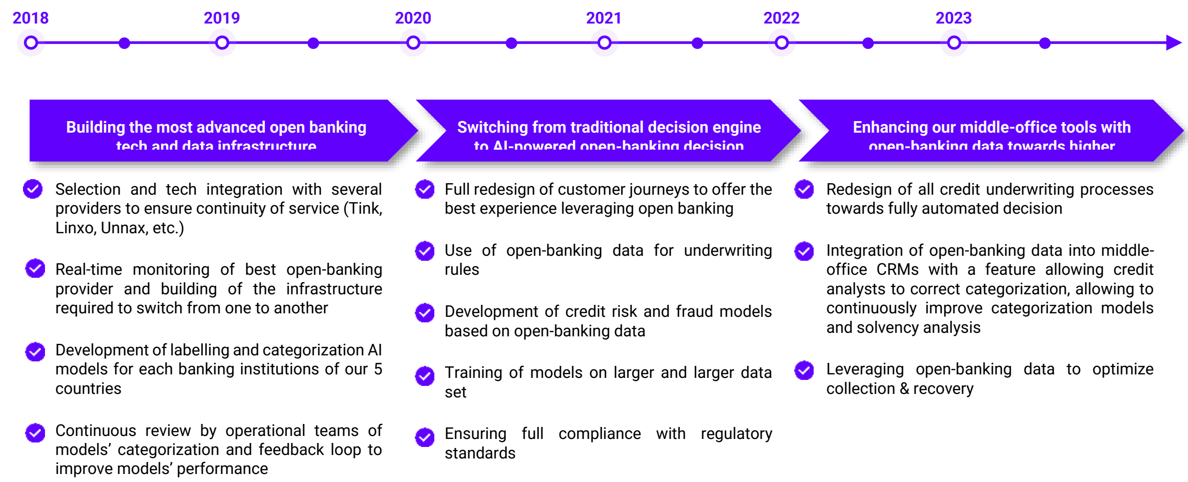
Younited believes that technology is at the core of its ability to offer differentiated product solutions to help its customers achieve financial well-being. As a leading European-licenced consumer credit business, Younited has built an unmatched position in instant credit off the back of its first-mover advantage in open banking and artificial intelligence.

Over the last six years, Younited developed open banking technology and data infrastructure enabled by PSD2, the European regulation for electronic payment services that gives third parties access to bank infrastructure with the goal of making payments more secure, boosting innovation and helping banking services adapt to new technologies. Younited then evolved from traditional decision engines to AI-powered open-banking decision engines and enhanced its middle-office tools with open-banking data to achieve higher operational efficiency. Younited now benefits from a single proprietary full-stack technology platform that serves all the countries in which it operates and each of its product solutions, providing it with superior agility, scalability and strong innovative capacity.



The robustness and flexibility of Younited's technology platform can be illustrated by its partnership with Bpifrance, which has been in place since 2019. It took less than four months for Younited to set-up and launch the first program of state-subsidised loans, helping thousands of SMEs weather the COVID-19 crisis. As of December 2024, Younited has launched more than 10 programs with Bpifrance and helped originate more than €993 million of loans and 79,000 loans.

The technology platform is complemented by Younited's differentiating data analytic tools feeding high-performance machine-learning scoring algorithms that have been trained, tested and calibrated for more than ten (10) years. These tools can leverage a wide spectrum of data, including open banking data, allowing Younited to reduce operational costs and improve transformation. The graphic below demonstrates how Younited has built a strong competitive edge in open banking:



In the future, Younited intends to take full advantage of the anticipated further evolutions in the European regulatory environment to leverage new data resources to achieve an adaptative solution based on user data and preferences that can optimise costs, achieve smarter credit acceptance and improve user experience.

The upcoming regulatory frameworks under the proposed European Union directive regarding payments, data and security—PSD3—and the Payment Services Regulation[2] are aimed at giving access not only to customer banking data but also to savings, credit and life insurance information, thereby providing access to new data resources.

1.3.3 Younited's Core Banking System

At the heart of Younited's technology platform is a core banking system that leverages advanced technologies to offer a superior, fully digital experience to its clients. After pioneering the PSD2 revolution in the industry, Younited became one of the first European credit providers to utilize artificial intelligence models. With a single SaaS modular platform that uses cloud computing and is natively connectable via APIs, Younited is able to deliver its products to all countries and all partners. Younited's core banking system offers full use of microservices, enabling a modular architecture covering front-to-back modules.

The system also benefits from advanced decision-making architecture. With connections to several local databases and credit bureaus in all the countries in which it operates, Younited's decision-making architecture has embedded analytics, risk-based pricing, in-house artificial intelligence and machine learning-based models. Younited believes that its core banking system provides a few benefits, including infrastructure savings, on-demand scaling and agility, advanced data and risk analytics, rapid decision model development times and the ability to offer modular, customizable and adaptable end-to-end offers.

1.3.4 Younited's Platform for Credit Scoring and Data Enrichment

Using its extensive proprietary database containing all loan applications for a principal amount up to €56,000 since its launch in 2012, Younited has built a scalable platform for credit scoring and data enrichment. By leveraging standardized tools and methodologies and a single API gateway for real-time scoring that relies on independent inference microservices, the platform provides automated tools for model monitoring under the skilled supervision of an experienced and diverse Younited team of data scientists and machine learning engineers.

Furthermore, the modularity of the platform, with standard scoring algorithms, open banking scoring algorithms, and partner data-enriched algorithms, allows Younited to rapidly develop specific models, resulting in high scalability to new geographies and partners.

Thanks to its continually growing client database, open-banking and AI-based modeling techniques, Younited has been able to steadily improve its scoring model performance. Its efficient and granular risk-based pricing engine allows it to offer personalized solutions to its customers, to assess the probability of defaulting across multiple risk segments.

1.3.5 Active Credit Risk Monitoring Backed by a Banking-Grade Risk and Control Environment

Younited has created a groupwide technical and analytical platform enabling fast deployment of risk analytics to allow for real-time calculation and tracking of key risk indicators. This allows Younited to carry out active monitoring of the cost of risk, both at the loan segment and portfolio levels. Younited's proprietary platform also allows it to adjust its underwriting rules, when and if needed, on a reactive and efficient basis, to permit score band adjustments as well as dynamic pricing and active repricing of origination to deliver attractive returns on its portfolios.

[2] Directive 2007/64/EC of the European Parliament and of the Council of 13 November 2007 on payment services in the internal market as supplemented by the Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 (the "**Payment Services Regulation**").

Younited's dedicated quantitative risk team, supported by data engineers and scientists, performs statistical analysis and enhances internal tools to analyze key performance and risk drivers along various dimensions on a pan-European basis.

As an ECB-licensed credit institution that is supervised by the ACPR, Younited benefits from the single regulatory framework applicable in all countries throughout the European Economic Area. Furthermore, Younited has implemented risk and control procedures and programs to provide multiple lines of defense, including at the business level, for the oversight of risks, compliance and IT security and internal controls, as well as through the audit and periodic review process.

1.3.6 Customer Acquisition Channels

Younited has created a scalable customer acquisition platform that benefits from both direct channels as well as partnerships with financial institutions and merchants.

Available on Younited's websites, its direct-to-consumer channels accounted for approximately 70% of total loan origination in 2024. The main driver of volumes is marketing spend. Notably, the increase in repeat business has increased the effectiveness of Younited's marketing spend. Younited's plan envisages returning to 2022 volumes in 2025.

With open banking and instant credit at the heart of its value proposition, Younited direct-to-consumer channel offers a fully digital, mobile-enabled solution for personal loans for principal amounts up to €56,000 and with maturities of up to 84 months across different loan categories, Younited's direct-to-consumer acquisition strategy benefits from a significant share of free traffic, allowing it to grow GMV while maintaining low customer acquisition costs.

Since 2020, Younited has also worked with partners such as financial institutions and merchants to expand customer acquisition and enhance demand generation. Younited's platform was designed and engineered to be easily and directly integrated by its partners via API, reducing customer acquisition costs. Younited believes that its risk-based pricing approach, superior scoring capabilities and adaptive user experience allow it to maximize its pricing offer and provide a seamless user experience, thereby optimizing approval and conversion rates to the benefit of both the consumer and the financial institution or merchant.

Through its partnerships with financial institutions in four countries, Younited offers instant credit in amounts up to €56,000 and with maturities of up to 84 months. With partnerships with institutions such as Bankinter, Telefonica, N26, Bankinter, Hype or Fortuneo Banque. Available online through its partners' platforms as well as directly in their physical branches, Younited's partnerships with financial institutions have driven customer growth.

Younited also offers financial institutions the opportunity to leverage a part, or the entirety, of its instant credit platform. From front-end customer-facing interface, risk and pricing, middle office, core banking system and servicing through to funding, each module is available either on a white-label basis or via co-branding. Financial institution partners are able to use Younited's direct tech platform with very little adjustment or to benefit from a white-label custom platform developed by Younited. For example, Younited has developed a lending platform in white-label for Bpifrance to originate and service various State-subsidized SME loan programs.

Through its partnerships with merchants, in the telecommunications and consumer electronics space, Younited offers instant point-of-sale financing via instant credit for principal amounts from €300 to €50,000 and maturities ranging from 10 to 84 months. Younited's partnerships with merchants in France, Italy and Spain, including entities such as Microsoft, Apple Premium Resellers, Iliad, Bouygues Telecom, Aramis Auto and Enpal Italia S.r.l. enable it to offer its products at over 1,000 points-of-sale and websites and are available on Content Management Systems and Payment Service Providers, such as Prestashop, Shopify and Magento. Younited's partnerships with merchants represented approximately 30% of its GMV in 2024.

The successful deployment of Younited Pay in France with its market leading API (connectivity technology) has driven a growth in the number of partnerships. To date this growth has been constrained by lack of capital which has led to Younited not bidding on some larger opportunities. Future growth will be enabled by the new equity capital associated with this deal as well as the roll out of Younited Pay in Italy and Spain. Available both online and in physical points of sale, Younited has seen strong growth in the number of customers derived from this channel.

SECTION 2 Business Overview

2.1 Market Environment

Younited operates within a highly competitive and fast-evolving financial services landscape, where it faces competition from a diverse range of players. These include both traditional credit institutions and emerging fintech companies offering consumer loans, payment solutions, and digital banking services.

Competitive Landscape

The main competitors of Younited are established European credit institutions, such as Cetelem, Cofidis, Sofinco, Agos, Compass, Santander, and other retail banks, as well as specialized point-of-sale financing providers like PayPal, Klarna, Oney, and Scalapay. These competitors vary in size and market reach, with many having larger financial capacities and longer operating histories, giving them key competitive advantages.

While Younited competes with several larger, more established players in the market, including traditional credit institutions and fintech companies, the Group has been able to carve out a distinct position in the consumer credit landscape.

Younited stands out by leveraging its innovative, technology-driven platform and data insights to offer a streamlined, flexible, and personalized consumer credit experience. The Group's unique capabilities in credit scoring, instant credit solutions, and open banking give it the agility to meet customer needs in a rapidly changing market. Younited's ability to offer a seamless, omnichannel experience to its customers through direct-to-consumer, merchant, and financial institution channels further strengthens its competitive edge.

Despite the presence of larger players, Younited's focus on scalability, transparency, and customer-first solutions enables it to not only compete effectively but to continue growing in its core markets.

2.2 Developments

Younited continues to innovate and expand its product offering to meet the evolving needs of its customers. The company consistently introduces new solutions that enhance the customer experience and broaden its range of services. These include advancements in consumer credit products, payment solutions, and partnerships with financial institutions and merchants, all underpinned by its cutting-edge technology platform.

In addition to expanding its core offerings, Younited is focused on enhancing its omnichannel approach, providing customers with seamless access to financial services across multiple touchpoints. The company is also exploring new market opportunities, including expanding its reach within its existing European markets and further building on its partnerships with both retail merchants and financial institutions.

To stay ahead of industry trends, Younited leverages open banking, artificial intelligence, and machine learning to drive product innovation and improve credit risk assessment. This technological approach allows Younited to offer more personalized, efficient, and transparent financial solutions to its customers.

Younited regularly introduces new products and services for its customers.

More information is available on the group's website, including the press room: Pressroom - Younited.

SECTION 3 Operational and Financial Review

3.1 Economic Conditions

Interest Rates

In 2024, the European Central Bank (ECB) maintained a cautious stance on interest rates, holding its main refinancing rate at 4.5% for the first half of the year. Despite earlier expectations for rate cuts, persistent inflation led to a more conservative outlook. By mid-year, the ECB adjusted its projections, eventually reducing rates to the mid-to-high 3% range by the year's end, aiming for economic stability and controlled inflation.

Inflation

Inflationary pressures gradually eased in 2024. In France, the Consumer Price Index (CPI) improved to 1.8% by December, down from the previous year's higher levels, largely due to stable food prices, lower energy costs, and controlled increases in medical and transportation expenses. In Italy, inflation dropped to 1.4%, driven mainly by a reduction in energy prices. The ECB's long-term goal of a 2% inflation target shaped its monetary policy across both countries.

Macroeconomic Environment

The global macroeconomic landscape in 2024 exhibited cautious optimism, with real GDP growth projections of 1.1% for France and 0.7% for Italy. The slowdown was attributed to the delayed impacts of monetary tightening and the fading effects of post-pandemic recovery. However, easing inflation and a shift towards more accommodative monetary policies provided signs of stabilization, though risks from high public debt and political volatility remained.

3.2 Components of Results of Operations

Net Interest Income

The Group's Net Interest Income includes income from interest earned on GMV originated and kept on balance sheet, or not yet derecognized, and interest expenses related to the cost of funding. Interest income and expenses are recognized in the statement of profit or loss on an accrual basis for all financial instruments using the effective interest rate method. The effective interest rate method requires the Group to estimate future cash flows, in some cases based on its experience of customer behaviors, considering all contractual terms of the financial instrument, as well as expected duration of assets and liabilities.

Other Revenue Lines

The Group's other revenue comprises: (1) Net gains and losses from financial instruments at FVTPL (fair value through profit or loss) consisting of changes in the fair value of the corresponding financial instruments, (2) Net gains and losses from financial instruments at fair value through other comprehensive income ("FVOCI") consisting of Profit/Loss on revaluation or recycling of financial assets at fair value on sale of loan portfolios and (3) Income from other activities consisting of revenue from the distribution of insurance products on realization basis, license and professional services fees from platform as a service activity (i.e., access to the platform revenue and lead sold to third party), net fee and commission income mainly comprising management fees received by Younited as a servicer to SPVs and other miscellaneous income.

Impairment Losses on Financial Instruments

The Group’s impairment losses on financial instruments include expected credit losses on loan portfolios for both performing and non-performing loans. These impairment losses are defined as the difference between the carrying amount of a loan classified as impaired and the present value of estimated future cash flows on this loan using the original effective interest rate for discounting those cash flows except for POCIs (purchased or originated credit impaired) where EIR is restated to expected recovery cashflows.

Personnel Expenses

Personnel expenses comprise salaries, social security contributions, contributions to defined benefit plans and defined contribution plans and other employee-related expenses such as contractual profit sharing and share-based payment expenses.

Depreciation and Amortization

Depreciation and amortization expenses comprise depreciation and amortization of intangible and tangible fixed assets, primarily reflecting the depreciation of capital expenditures incurred in connection with the development of the digital platform and includes amortization of right-of-use assets.

Other Expenses

Other expenses primarily comprise taxes and other operating expenses; advertisement and publicity; auditors’ fees; and Insurance and Other expenditures.

Income Tax Expense

Income tax expense comprises the Group current income tax in France, as well as deferred taxes representing the tax effect on temporary differences and deferred taxes due to tax rate changes. Deferred tax assets are recognized for temporary differences if it is probable that taxable profit will be available against which the deductible temporary difference can be utilized. In addition, the Group recognizes the French contribution on the value added (“Cotisation sur la valeur ajoutée des entreprises” or “CVAE”) as income tax.

3.3 Alternative Performance Measures (APM)

GMV is an operating data. This operating data corresponds to the cumulated nominal amount of loans issued by Younited directly towards customers or indirectly through merchants and financial institutions during the period. As GMV reports nominal amounts, it is not compliant with EIR calculation according to IFRS 9 and as such cannot be reconciled with the Group’s accounting policies. Moreover, part of this cumulated amount is off-balance sheet either whenever Younited acts as an agent for a partner merchant responsible for the issuance of the loans or whenever loans are distributed to non-consolidated securitization funds. For these reasons GMV cannot be reconciled to the Group’s financial statements. Management believes this measure provides an appropriate measure of its commercial efficiency. GMV amounted to €748.9 million and €881.9 million for the years ended December 2024 and 2023, respectively.

Adjusted net income is a non-IFRS measure. This measure is useful to readers of the Group’s financial statements as it provides a measure of results excluding certain items that management believes are outside of its recurring operating activities consisting of Non-recurring items and of Non-cash expenses settled in capital instruments.

Non-cash expenses settled in capital instruments consist of share-based payment expenses accounted for under IFRS 2 as well as unrealized gains and losses on financial liabilities which will be settled in the Company own capital instruments.

Non-recuring items refer to expenses incurred as part of a significant reorganization of the Group, which may include costs related to workforce reductions, contract terminations, and other one-time expenses necessary to implement structural changes.

3.4 Results of operations

Underlying net result

The following table sets forth the Group's Adjusted net income for the years ended December 31, 2024 and December 31, 2023.

(in € thousands)	Twelve-month period ended December 31, 2024	2023	Variation Change (k€)	Change (%)
Loss for the period	**(83,439)**	**(49,679)**	**(33,760)**	**68.0**
Non-cash expenses settled in capital instruments	1,772	2,882	(1,110)	(38.5)
Non-recurring items	32,690	-	32,690	n.a.
Adjusted net income	**(48,977)**	**(46,797)**	**(2,180)**	**4.7**

Adjusted net income decreased by €2,180 thousand, or 4.7%, from €46,797 thousand for the twelve-month period ended December 31, 2023, to €48,977 thousand for the twelve-month period ended December 31, 2024. This decline was primarily driven by a €33,760 thousand increase in the loss for the period, mainly due to non-recurring items totaling €32,690 thousand, which reflect expenses incurred in connection with the Group's strategic reorganization efforts. These non-recurring items mainly include (i) the €29,334 thousand cost of access to capital related to the Business Combination of Younited with Iris and (ii) other restructuring costs of €3,012 thousand. Additionally, non-cash expenses settled in capital instruments contributed further to the net loss, with €1,772 thousand related to share-based payments.

The following table sets forth the Group's results of operations for the years ended December 31, 2024 and December 31, 2023.

(in € thousands)	Twelve-month period ended December 31, 2024	2023	Variation Change (k€)	Change (%)
Interest income	73,813	83,481	(9,668)	(11.6)
Interest expense	(30,437)	(22,092)	(8,346)	37.8
Net interest income	**43,375**	**61,389**	**(18,014)**	**(29.3)**
Net gains and losses from financial instruments at FVTPL	2,835	2,799	37	1.3
Net gains and losses from financial instruments at FVOCI	2,898	(5,318)	8,215	(154.5)
Income from other activities	45,563	42,886	2,678	6.2
Revenue	**94,671**	**101,755**	**(7,084)**	**(7.0)**
Personnel expense	(37,851)	(36,667)	(1,185)	3.2
Other operating expenses	(66,020)	(34,397)	(31,623)	91.9
Depreciation and amortization expenses	(27,270)	(21,682)	(5,589)	25.8
Impairment losses on financial instruments	(46,502)	(57,890)	11,388	(19.7)
Loss before tax	**(82,973)**	**(48,881)**	**(34,092)**	**69.7**
Income tax expense	(466)	(799)	332	(41.6)
LOSS FOR THE PERIOD	**(83,439)**	**(49,679)**	**(33,760)**	**68.0**

Geographic breakdown of revenue

Revenue for the twelve-month period ended December 31, 2024, was mainly generated in France, amounting to €45,227 thousand, followed by Italy with €24,493 thousand. Revenue generated in other countries amounted to €24,951 thousand.

Net Interest Income

	Twelve-month period ended December 31,		Variation	
(in € thousands)	2024	2023	Change (k€)	Change (%)
Interest income	73,813	83,481	(9,668)	(11.6)
Interest expense	(30,437)	(22,092)	(8,346)	37.8
Net interest income	**43,375**	**61,389**	**(18,014)**	**(29.3)**

Net interest income decreased by €18,014 thousand, or 29.3%, from €61,389 thousand in 2023 to €43,375 thousand in 2024. This decline was primarily driven by a decrease in interest income of €9,668 thousand, or 11.6%, from €83,481 thousand in 2023 to €73,813 thousand in 2024, combined with an increase in interest expense of €8,346 thousand, or 37.8%, from €22,092 thousand in 2023 to €30,437 thousand in 2024.

The decrease in interest income primarily reflects a reduction in the gross carrying amount of loans and advances to customers, which declined by €154,418 thousand or 14.3%, from €1,078.3 million in 2023 to €923.9 million in 2024. This decrease is attributable to (i) the net change in loans and advances to customers at amortized cost which decreased from €339,347 thousand in 2023 to €274,888 thousand in 2024, as well as (ii) the net change in loans and advances FVOCI which decreased from €477,287 thousand in 2023 to €458,150 thousand in 2024.

The increase in interest expense mostly comes from the increase of 38.5% in interests on term deposits, which grew from €19,398 thousand in 2023 to €26,866 thousand in 2024. This increase reflects a higher weighted average interest rate driven by the deteriorating economic conditions resulting in an increase of the risk-free rate.

Other revenue lines

	Twelve-month period ended December 31,		Variation	
(in € thousands)	2024	2023	Change (k€)	Change (%)
Net gains and losses from financial instruments at FVTPL	2,835	2,799	37	1.3
Net gains and losses from financial instruments at FVOCI	2,898	(5,318)	8,215	(154.5)
Income from other activities	45,563	42,886	2,678	6.2
Other revenue lines	**51,296**	**40,366**	**10,930**	**27.1**

Other revenue lines rose by €10,930 thousand, or 27.1%, from €40,366 thousand in 2023 to €51,296 thousand in 2024, driven by a more favorable performance in financial instruments at FVOCI and the increase in income from other activities.

Net gains and losses from financial instruments at FVTPL increased slightly by €37 thousand, or 1.3%, from €2,799 thousand for the year ended December 31, 2023, to €2,835 thousand for the year ended December

31, 2024. The performance remained stable compared to the prior year, reflecting a more normalized market environment following previous macroeconomic volatility.

Net gains and losses from financial instruments at FVOCI improved significantly, increasing by €8,215 thousand, or 154.5%, from a €5,318 thousand loss in 2023 to a €2,898 thousand gain in 2024. This positive variation was primarily due to gains from the disposal of Non-Performing Loans. In contrast, the losses in 2023 were attributed to the sale of a large Italian loans portfolio below par.

Income from other activities primarily includes (i) insurance distribution income, (ii) access revenue, (iii) leads sold to third parties, (iv) net fee and commission income, and (v) other miscellaneous revenues. In 2024, this income increased by €2,678 thousand, or 6.2%, rising from €42,886 thousand in 2023 to €45,563 thousand in 2024. This growth was mainly driven by higher access revenue, alongside an increase in other revenue streams such as banking revenue, partially offset by a decline in insurance distribution income.

Access revenue, which primarily consists of transaction fees on loans originated by partners through Younited's platform and license fees for platform usage, grew by €4,587 thousand, or 61.0%, from €7,525 thousand in 2023 to €12,112 thousand in 2024. This increase was largely attributable to renegotiations with two key partners.

Other revenue grew by €2,871 thousand, from €2,378 thousand in 2023 to €5,249 thousand in 2024, primarily driven by an increase in banking-related income.

Net fee and commission income increased by €545 thousand, or 12.6%, rising from €4,323 thousand in 2023 to €4,868 thousand in 2024. This growth was supported by the expansion of total assets securitized, driven by the increase in loans held by SPVs under Younited's management, from €1,658.5 million in 2022 to €1,674.1 million in 2024.

Insurance distribution income declined by €5,897 thousand, or 31.1%, from €18,943 thousand in 2023 to €13,046 thousand in 2024. This decrease was primarily due to a €133,027 thousand, or 15.1% reduction in GMV, which decreased from €881.9 million in 2023 to €748.9 million in 2024.

Other expenses

	Twelve-month period ended December 31,		Variation	
(in € thousands)	**2024**	**2023**	**Change (k€)**	**Change (%)**
Personnel expense	(37,851)	(36,667)	(1,185)	3.2
Other operating expenses	(66,020)	(34,397)	(31,623)	91.9
Depreciation and amortisation expenses	(27,270)	(21,682)	(5,589)	25.8
Total	**(131,142)**	**(92,745)**	**(38,396)**	**41.4**

Total Personnel expenses, Other operating expenses, and Depreciation and amortization expenses increased by €37,632 thousand, or 40.6%, from €92,745 thousand for the year ended December 31, 2023, to €130,377 thousand for the year ended December 31, 2024.

Personnel expenses increased slightly by €1,185 thousand, or 3.9%, from €36,667 thousand in 2023 to €37,851 thousand in 2024. This increase was primarily driven by salary increases and restructuring costs of €1,649 thousand incurred in 2024. However, it was partially offset by a reduction in headcount, with a decrease of 77 employees, or 13.1%, from an average of 588 employees in 2023 to 511 employees in 2024, as well as a lower impact of share-based payment arrangements, which declined from €2,882 thousand in 2023 to €1,772 thousand in 2024.

Other operating expenses increased significantly by €31,623 thousand, or 91.9%, from €34,397 thousand for the year ended December 31, 2023, to €66,020 thousand for the year ended December 31, 2024. This sharp rise reflects notably the cost of access to capital for €29,934 thousand representing the cost incurred to access capital markets. External debt collection costs increased by €2,687 thousand or 47.2%, from €5,696 thousand in 2023 to €8,383 thousand in 2024 in the context of an increase of collection activity. This is offset by a decrease of external call center costs which can be explained by the decrease in GMV, from €881.9 million in 2023 to €748.9 million in 2024. External fees, which mainly comprise consulting fees, increased by €1,667 thousand or 45.2%, from €3,690 thousand in 2023 to €5,357 thousand in 2024.

Depreciation and amortization expenses rose by €5,589 thousand, or 25.8%, from €21,682 thousand in 2023 to €27,270 thousand in 2024. This increase was primarily driven by the continued investments in Younited's platform and technology infrastructure to support growth, along with the accelerated amortization of projects that were terminated in 2024 for an aggregate amount of €1,362 thousand.

Impairment losses on financial instruments

	Twelve-month period ended December 31,		Variation	
(in € thousands)	**2024**	**2023**	**Change (k€)**	**Change (%)**
Impairment losses on financial instruments	**(46,502)**	**(57,890)**	**11,388**	**(19.7)**

Impairment losses on financial instruments decreased by €11,388 thousand, or 19.7%, from €57,890 thousand for the year ended December 31, 2023, to €46,502 thousand for the year ended December 31, 2024, mostly driven by a decrease in GMV, as (i) loans and advances to customers at amortized cost decreased from €339,347 thousand in 2023 to €274,888 thousand in 2024 and (ii) loans and advances to customers at FVOCI decreased from €477,287 thousand in 2023 to €458,150 thousand in 2024.

Apart from this base effect, Stage 1 and Stage 3 expected credit loss (ECL') to gross carrying value decreased as of December 31, 2024, standing at 3.0% (3.5% in 2023) and 86.7% (86.9% in 2023) respectively, partially offset by Stage 2 expected credit loss to gross carrying value which slightly increased as of December 31, 2024, standing at 16.8% (16.6% in 2023).

Income tax expense

	Twelve-month period ended December 31,		Variation	
(in € thousands)	**2024**	**2023**	**Change (k€)**	**Change (%)**
Income tax expense	**(466)**	**(799)**	**332**	**(41.6)**

Income tax expense decreased by €332 thousand, or 41.6%, from €799 thousand for the year ended December 31, 2023, to €466 thousand for the year ended December 31, 2024. This decrease reflects a lower taxable base, attributable to a reduction in tax paid in Portugal, resulting from the creation of a permanent establishment during the second quarter of 2024.

Loss for the period

	Twelve-month period ended December 31,		Variation	
(in € thousands)	**2024**	**2023**	**Change (k€)**	**Change (%)**
Loss for the period	**(83,439)**	**(49,679)**	**(33,760)**	**68.0**

As a result of the above, the loss for the period increased by €33,760 thousand, or 68.0%, from €49,679 thousand for the year ended December 31, 2023, to €83,439 thousand for the year ended December 31, 2024.

3.5 Liquidity and Capital Resources

The purpose of the liquidity management function is to ensure that The Group has funds available to extend loans to its customers across its various products, meet deposit maturity outflows, repay principal and interest in its borrowings and deposits, and settle all its obligations. As of December 31, 2024, and December 31, 2023, The Group had cash and cash equivalents denominated in euros of €276,846 thousand and €310,281 thousand, respectively. Cash and cash equivalents primarily consist of (i) balances placed at central banks for €193,433 thousand and €236,756 thousand, and (ii) balances with other banks in current accounts and money at call and short notice for €83,413 thousand and €73,525 thousand, respectively, as of December 31, 2024, and December 31, 2023. The Group's primary sources of funding have been securitization funds and fixed-rate retail term deposits, which ensure stability, low cost of funding, and effective liquidity management.

Other sources of funding include capital injections from shareholders, and to a lesser extent, loans and credit lines from financial institutions. Apart from regulatory requirements described in Section 6.2 "Capital adequacy," there are no material restrictions on the use of The Group's capital resources. Additionally, The Group held no financial instruments for hedging purposes over the periods covered by the financial statements.

3.5.1 Summary of Cash Flows

The following table sets forth The Group's statements of cash flows for the years ended December 31, 2024, and December 31, 2023.

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
Cash flows from operating activities		
Profit (loss) for the period	**(83,439)**	**(49,679)**
Net depreciation and amortisation	27,270	21,683
Net impairment loss on loans and investment securities	46,502	57,890
Net interest income	(43,375)	(61,389)
Net gain (or loss) on loans and investment securities at FV	(5,733)	2,567
Equity-settled share-based payment transactions	31,706	2,882
Other income and expense	918	673
Net change in loans and advances to financial institutions and customers	48,199	33,578
Net change in loans and deposits from financial institutions and investors	(292,952)	169,328
Other assets, liabilities and provisions	(4,063)	12,390
Net interest received (or paid)	51,520	53,755
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	**(223,447)**	**243,680**
Cash flows from investing activities		
Net change in investment securities	48,601	(71,169)
Investment in PPE and intangible assets	(21,362)	(25,165)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	**27,238**	**(96,334)**
Cash flows from financing activities		

Proceeds from increase in capital	166,510	28,538
Repayment of lease liabilities	(3,737)	(3,506)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES	**162,773**	**25,032**
Net increase (decrease) in cash, due from central banks	**(33,435)**	**172,378**
CASH AND CASH EQUIVALENTS AT OPENING	**310,281**	**137,903**
CASH AND CASH EQUIVALENTS AT CLOSING	**276,846**	**310,281**

Net cash provided by (used in) operating activities

Net cash provided by operating activities amounted to a cash outflow of €223,447 thousand for the year ended December 31, 2024, primarily driven by the following factors:

- The loss for the period of €83,439 thousand.
- The net interest received (or paid) contributed to a cash inflow of €51,520 thousand.

The net change in loans and advances to financial institutions and customers contributed to a cash inflow of €48,199 thousand, excluding (i) net impairment losses on loans and investment securities of €46,502 thousand and (ii) non-performing loans repurchased.

The net change in loans and deposits from financial institutions and investors contributed to a cash outflow of €292,952 thousand, resulting from a reduction in loans and advances, reflecting a more cautious funding strategy.

The adjustment of other non-cash expenses or non-operating items for a total inflow of €53,225 thousand.

Net cash provided by operating activities amounted to a cash inflow of €243,680 thousand for the year ended 31 December 2023, primarily driven by the following factors:

- The loss for the period of €49,679 thousand.
- The net interest received (or paid) contributed to a cash inflow of €53,755 thousand.

The net change in loans and advances to financial institutions and customers contributed to a cash inflow of €33,578 thousand. Excluding (i) net impairment losses on loans and investment securities of €57,890 thousand, and (ii) non-performing loans repurchased, including a €724 thousand provision, net change in loans and advances to financial institutions and customers generated a cash outflow of €25,037 thousand.

The net change in loans and deposits from financial institutions and investors contributed to an inflow of €169,328 thousand, resulting from a levy of additional deposits to anticipate an increase in interest rates going forward. In this context loans to deposits ratio decreased to 96% as of 31 December 2023.

The adjustment of other non-cash expenses or non-operating items for a total inflow of €36,698 thousand.

Net cash provided by (used in) investing activities

The Group's investing activities generated a cash inflow of €27,238 thousand for the year ended December 31, 2024. This inflow was primarily driven by a net change in investment securities, which contributed €48,601 thousand, reflecting the reduction in equity share in SPVs from €107,519 thousand (6% as of December 31, 2023) to €58,125 thousand (3.5% as of December 31, 2024). This was partially offset by a capital expenditure of €21,362 thousand, primarily due to investments in Younited's platform amounting to €19,294 thousand in 2024.

For the year ending December 31, 2023, The Group's investing activities generated a cash outflow of €96,334 thousand. This outflow was largely due to capital expenditure of €25,165 thousand, mostly from investments in Younited's platform amounting to €23,018 thousand. Furthermore, a cash outflow of €71,169 thousand investment securities was observed, reflecting an increase in equity share in SPVs from €37,219 thousand (3% as of December 31, 2022) to €107,519 thousand (6% as of December 31, 2023).

Net cash provided by (used in) financing activities

Net cash provided by financing activities amounted to an inflow of €162,773 thousand for the year ended December 31, 2024. This inflow was primarily driven by a significant capital increase of €166,510 thousand, offset by repayments of lease liabilities totaling €3,737 thousand.

For the year ended December 31, 2023, net cash provided by financing activities amounted to an inflow of €25,032 thousand. This was largely due to a capital increase of €28,538 thousand, partially offset by repayments of lease liabilities of €3,506 thousand.

3.5.2 Capital Adequacy

While the CRD IV requires Younited to comply with a regulatory minimum capital ratio of 15.8% of its risk-weighted assets on a continuous basis, subject to any higher percentage as may be prescribed by the ACPR from time to time, Younited has maintained a higher ratio than prescribed under the guidelines.

As part of its capital adequacy risk management, Younited also maintains an internal capital adequacy framework to ensure its internal economic capital covers and exceeds all material risks internally assessed and is in adequation with its strategic objectives.

3.5.3 Contingent liabilities, capital commitments and contractual obligations

Capital Expenditures

The Group's capital expenditure consists of personnel expenses incurred to develop and expand continuously on Younited's platform solution. Such expenses are mostly incurred in France and funded internally. The expenses detailed are entirely related to the development phase of the platform, and no expenditure has been allocated to research activities. For the years ended December 31, 2024, and December 31, 2023, the Group invested €19,294 thousand and €23,018 thousand, respectively. The Group's net book value of intangible assets was €34,117 thousand and €36,552 thousand for the years ended December 31, 2024, and 2023, respectively. Younited is engaged in developing its platform and invests accordingly on a continuous basis. The Group had no material investments in progress as of December 31, 2024, and no commitment has been made.

Non-cancellable Lease Obligations

The table below sets forth the Group's non-cancellable lease obligations for payments due in the specified periods.

	As of December 31,	
(in € thousands)	**2024**	**2023**
Less than one year	3,698	3,667
Between one and five years	9,307	12,455
More than five years	-	11
Total	**13,005**	**16,133**

3.6 Balance Sheet

The Group's balance sheet as of the specified dates are set out below:

	As of December 31,	
(in € thousands)	**2024**	**2023**
Assets		
Cash, due from central banks	193,433	236,756
Financial assets at FVTPL	86,837	135,403
Loans and advances to financial institutions	83,413	73,525
Loans and advances to customers at amortised cost	274,888	339,347
Loans and advances to customers at FVOCI	458,150	477,287
Property and equipment	11,740	14,568
Intangible assets	34,117	36,552
Other assets	81,870	85,537
TOTAL ASSETS	**1,224,448**	**1,398,973**
Liabilities		
Financial liabilities at FVTPL	12,181	-
Loans and deposits from financial institutions	60,611	60,033
Deposits from deposit holders	832,722	1,126,252
Other liabilities	79,846	68,840
Provisions	615	466
TOTAL LIABILITIES	**985,975**	**1,255,591**
Equity		
Share capital	691	273
Share premium	340,376	181,260
Other equity instruments	-	289
Reserves and retained earnings	(27,483)	(10,080)
Loss for the period	(83,439)	(49,679)
Other comprehensive income	8,329	21,320
TOTAL EQUITY ATTRIBUTABLE TO COMPANY OWNERS	**238,474**	**143,383**
Non-controlling interests	-	-
TOTAL LIABILITIES AND EQUITY	**1,224,448**	**1,398,973**

3.6.1 Assets

The Group's assets as of the specified dates are set out below:

(in € thousands)	**2024**	**2023**
Assets		
Cash, due from central banks	193,433	236,756
Financial assets at FVTPL	86,837	135,403
Loans and advances to financial institutions	83,413	73,525
Loans and advances to customers at amortised cost	274,888	339,347
Loans and advances to customers at FVOCI	458,150	477,287
Property and equipment	11,740	14,568
Intangible assets	34,117	36,552
Other assets	81,870	85,537
TOTAL ASSETS	**1,224,448**	**1,398,973**

Cash due from central banks

Cash due from central bank balances decreased from €236,756 thousand as of December 31, 2023, to €193,433 thousand as of December 31, 2024, for the reasons discussed in the statements of cash flows.

Financial assets at FVTPL

The Group's financial assets at FVTPL, which primarily comprise investments in High Quality Liquid Assets and in SPVs, decreased from €135,403 thousand as of December 31, 2023, to €86,837 thousand in 2024, explained by a decreased equity share in SPVs from €107,519 thousand or 6% as of December 31, 2023, to €58,125 thousand or 3.5% as of December 31, 2024.

Loans and advances to financial institutions

Loans and advances to financial institutions increased from €73,525 thousand as of December 31, 2023, to €83,413 thousand as of December 31, 2024, for the reasons discussed in the statements of cash flows.

Loans and advances to customers at amortized cost

Loans and advances to customers at amortized cost slightly decreased from €339,347 thousand for the year ended December 31, 2023, to €274,888 thousand in 2024, due to (i) a decrease in GMV production in Spain, Germany and Portugal from €140.8 million in 2023 to €67.3 million in 2024, coupled with standard decrease in previous vintages of loan portfolios and (ii) a 9.5% decrease in expected credit losses. Apart from this base effect, the expected credit loss (ECL) ratio for Stage 1 and Stage 3 loans relative to gross carrying value decreased from 3.9% and 87.9% in 2023 to 3.7% and 87.4% in 2024, respectively.

Loans and advances to customers at FVOCI

Loans and advances to customers at FVOCI decreased from €477,287 thousand as of December 31, 2023 to €458,150 thousand in 2024 due to a (i) decrease in GMV in France and Italy from €741.1 million in 2023 to €681.7 million in 2024 coupled with standard decrease in previous vintages of loan portfolios and (ii) a 33.5% decrease in expected credit losses respective of the decrease in gross carrying loans. Apart from this base effect, the expected credit loss ratio for Stage 1 and Stage 3 loans relative to gross carrying value decreased from 3.2% and 86.3% in 2023 to 2.6% and 86.0% in 2024, respectively.

Property and equipment

Property and equipment decreased from €14,568 thousand in 2023 to, to €11,740 thousand in 2024, mainly due to annual depreciation on right-of-use assets for €2,828 thousand.

Intangible Assets

Intangible assets slightly decreased from €36,552 thousand in 2023 to €34,117 thousand in 2024. Intangible assets mostly comprise net capitalized R&D expense, slightly decreasing from €34,241 thousand in 2023 to €31,790 thousand in 2024. The investment in R&D spending reflects Younited's effort to develop its platform solutions, underscoring its commitment to innovation and expansion. Intangible assets also comprise net license and software rights, which have increased, from €2,174 thousand in 2023 to €2,289 thousand in 2024, in line with the number of employees within Younited, contributing to investments in software and related licensing costs to support operational needs.

Other Assets

Other assets primarily comprise (i) insurance distribution contracts assets, (ii) tax receivables mainly comprising the receivable relating to the French "Crédit Impôt Recherche" (CIR) and "Crédit d'Impôt pour la Compétitivité de l'Emploi" (CICE), (iii) accrued revenue and (iv) receivable from an insurance company in connection with profit sharing agreement.

Other assets slightly decreased from €85,537 thousand in 2023 to €81,170 thousand in 2024. This variation is mostly driven by (i) the decrease in contract assets from €48,563 thousand in 2023 to €41,270 thousand in 2024 relating to the decrease in GMV between 2023 and 2024, (ii) the increase in profit sharing receivable from insurance company from €8,560 thousand in 2023 to €9,118 thousand in 2024 and (iii) the decrease in trade receivables and accrued expenses, from €6,830 thousand as of December 31, 2023 to €6,575 thousand in 2024, offset by (iv) the increase in accrued revenue from €3,609 thousand in 2023 to €3,856 thousand in 2024 and (v) the rise of tax receivables from €9,489 thousand in 2023 to €12,489 thousand related to increasing CIR credits, reflecting Younited's intensified R&D activities.

3.6.2 Equity and liabilities

The Group's liabilities and capital as of the specified dates are set out below:

	As of December 31,	
(in € thousands)	**2024**	**2023**
Liabilities		
Financial liabilities at FVTPL	12,181	-
Loans and deposits from financial institutions	60,611	60,033
Deposits from deposit holders	832,722	1,126,252
Other liabilities	79,846	68,840
Provisions	615	466
TOTAL LIABILITIES	**985,975**	**1,255,591**
Equity		
Share capital	691	273
Share premium	340,376	181,260
Other equity instruments	-	289
Reserves and retained earnings	(27,483)	(10,080)
Loss for the period	(83,439)	(49,679)

Unrealised or deferred gains and losses	8,329	21,320
TOTAL EQUITY ATTRIBUTABLE TO COMPANY OWNERS	**238,474**	**143,383**
Non-controlling interests	-	-
TOTAL LIABILITIES AND EQUITY	**1,224,448**	**1,398,973**

Financial liabilities at FVTPL

As of December 31, 2024, financial liabilities at fair value through profit or loss amounted to €12,181 thousand, compared to none in 2023. This balance reflects the recognition of warrant liabilities following the business combination with IRIS Financial (now Younited Financial).

Loans and deposits from financial institutions

Loans from financial institutions consist of a collateralized credit line with Natixis. As of December 31, 2024, The Group had drawn €60,611 thousand, compared to €60,033 thousand on December 31, 2023. This credit line supports The Group's strategic approach to maintaining liquidity and meeting its operational needs while diversifying funding sources to reduce liquidity risks.

Deposits from deposit holders

Deposits from deposit holders decreased in 2024 to €832,722 thousand from €1,126,252 thousand in 2023, following the decrease in the Group's GMV production from €881.9 million in 2023 to €748.9 million in 2024. The Group believes deposits from deposit holders tend to provide a stable and low-cost source of deposits since deposits are, for the vast majority, non-breakable and raised by retail customers.

Other Liabilities

Other liabilities primarily include (i) transaction costs, (ii) lease liabilities, (iii) trade payables and accrued expenses, (iv) accrued personnel expenses and related liabilities, (v) cash from investors' orders passing through to the SPV, and (vi) servicing and sub-servicing accounts related to Younited's servicing role in the SPV.

Other liabilities increased by €10,012 thousand, or 14.5%, from €68,840 thousand in 2023 to €79,846 thousand in 2024. This increase was primarily driven by the following factors: (i) transaction costs incurred in the context of the Business Combination with Iris Financial to be settled within the next three months, amounting to €18,087 thousand in 2024, compared to none in 2023, (ii) trade payables, which rose by €3,662 thousand or 31.8%, from €11,501 thousand in 2023 to €15,163 thousand in 2024, and (iii) lease liabilities, which decreased by €3,128 thousand or 19.4%, from €16,133 thousand in 2023 to €13,005 thousand in 2024. This increase was partially offset by a significant decrease in the liability due to SPV, which declined by €8,030 thousand or 64.6%, from €12,427 thousand in 2023 to €4,397 thousand in 2024. This reflects the net variation of purchase and sale orders awaiting execution in Younited's SPV.

3.7 Outlook for the year ended December 31, 2025

The Group's ambition is to achieve a positive Adjusted Net income in the fourth quarter of the year ending 31 December 2025, compared to a negative Adjusted Net Income of €49 million for the year ending December 31, 2024.

SECTION 4 Principal Risks

4.1 Risks related to the Group's Business Model

Macroeconomic, Political and Financial Environment

The Company's business operations may be adversely impacted by political events, terrorism, military conflict or acts of war, cyber-attacks, public health issues, natural disasters, severe weather, climate change, infrastructure failure or outage, labour disputes and other business interruptions.

Younited's business operations are subject to interruption by, among other things, political events, terrorism, military conflict or acts of war (including the conflicts in Ukraine and the Middle East), cyber-attacks, public health issues (such as the COVID-19 pandemic), natural disasters, severe weather, infrastructure failure or outages (including power outages), labour disputes and other events which could: (i) decrease demand for Younited's products and services, (ii) adversely affect the macroeconomy and/or customers or (iii) make it difficult or impossible for Younited to deliver a satisfactory experience to Younited's customers.

Any such events could also affect Younited by impacting the stability of Younited's deposit base, impairing the ability of Younited's borrowers to repay their outstanding loans, causing significant property damage and/or resulting in loss of revenue and/or cause Younited to incur additional expenses.

Any economic downturn or other changes in macroeconomic conditions affecting Younited's industry could result in a decline in the Younited's revenue, which could in turn have a material adverse effect on the Younited's business, results of operations, financial condition or prospects.

Younited's revenue is impacted by the general economy, the creditworthiness of the European Union consumers and the financial performance of its partners.

Younited's business, the consumer financial services industry and Younited's partners' businesses are sensitive to macroeconomic conditions. Economic factors such as interest rates, changes in monetary and related policies, market volatility, inflationary conditions, consumer confidence and unemployment rates are among the most significant factors that impact consumer spending behaviour.

As Younited's operations are geographically limited, Younited is primarily dependent upon consumers and economic conditions in Europe, in particular France and Italy. As a result of this geographical concentration, Younited is more vulnerable to downturns or other conditions that affect the economy of the countries in which Younited operates. Any downturn or other adverse conditions in the domestic markets of these countries could harm Younited's business and financial results. If Younited further expands internationally in the future, Younited would be vulnerable to economic downturns or other conditions that affect the domestic markets in the countries where Younited would expand. However, until Younited's international operations grow significantly, Younited will continue to be primarily dependent on European consumers and European economic conditions.

The generation of new loans facilitated through Younited's platform, and the transaction fees and other fee income associated with such loans, depends upon sales of products and services by Younited's partners. Younited's partners' sales may decrease or fail to increase as a result of factors outside of their control, such as the macroeconomic conditions, or business conditions affecting a particular merchant, industry vertical or region.

In addition, if a partner, in particular financial institutions, ceases whole or part of its operations, or becomes subject to a voluntary or involuntary bankruptcy proceeding (or if there is a perception that it may become subject to a bankruptcy proceeding), consumers may have less incentive to pay their outstanding balances on loans facilitated through Younited's platform, which could result in higher charge-off rates than anticipated. Moreover, if the financial condition of a partner deteriorates significantly or a partner becomes subject to a bankruptcy proceeding, Younited may not be able to recover amounts due to Younited from the partner.

Persistent inflation or an upturn in inflation and, as a result, persistently high interest rates could negatively affect Younited's business activities, operations and financial performance.

Economic factors, such as the current inflationary environment and possibility of a recession, slow economic growth or a significant deterioration in economic conditions, changes in household debt levels and increased unemployment or stagnant or declining wages can affect the loan markets by impacting the number of loan applications and loan approval rates, which can adversely affect Younited's business.

The effects of monetary policy and rising interest rates could continue to impact customer activity and asset quality even more severely. Moreover, inflation could fall less quickly than expected, or even rise again, depending on various factors, such as the macroeconomic conditions, political and geopolitical developments, weather conditions and climatic events.

In addition, the rapid rise in interest rates or persistently high-interest rate levels could cause difficulties for some major economic players, particularly those with the most debt. If interest rates rise, potential borrowers could seek to defer taking new loans as they wait for interest rates to decrease and/or settle. Difficulties in repaying their debts and defaults on their part could cause a significant shock to the markets and have systemic impacts. In a more-difficult-to-read context weakened by major shocks, events such as those linked to the difficulties of significant players are potentially damaging to Younited's financial health, depending on Younited's exposure and the systemic repercussions of the shock.

Seasonality of Business

The Group experienced seasonal fluctuations in its business because of consumer spending patterns. As The Group grows its exposure to merchant partners, it is likely to experience seasonal fluctuations in its business because of consumer spending patterns. The Group expects these seasonal patterns to continue in future periods.

Competition Risk

Younited operates in a competitive industry, facing rivals from credit institutions and fintech firms. Larger competitors benefit from broader reach, brand recognition, and lower funding costs whereas emerging players with disruptive technologies may further intensify competition.

Younited operates in a highly competitive and dynamic industry and faces competition from a variety of players, including those offering consumer loans, payment solutions or digital banking services.. Based on market origination volumes of unsecured cash loans and point-of-sale loans in France, Italy and Spain. Some of Younited's competitors, , are substantially larger than Younited and have longer operating histories, which gives those competitors advantages, such as a more diversified product range, a broader consumer and merchant base, greater brand recognition and brand loyalty, the ability to reach more consumers, the ability to cross-sell their products, operational efficiencies, broad-based local distribution capabilities and lower cost of funding.

In addition, new competitors such as more specialised companies, companies using new disruptive technologies, new actors arising from the concentration of existing ones or competitors having substantial financial, R&D and marketing resources, may enter the market and may be able to innovate and bring products and services to market faster or anticipate and meet consumer or financial services partner demand before Younited does. Younited may be forced to expend significant resources to remain competitive with current and potential competitors and to keep a technological edge in open banking, for instance.

If any of Younited's competitors are more successful at attracting and engaging users or merchant partners or financial services partners, the demand for Younited's platform and products could stagnate or substantially decline, which would materially and adversely affect Younited's business, results of operations and prospects.

Younited relies on internet search engines for traffic and user referrals, making it vulnerable to algorithm or policy changes that could lower its search ranking and reduce engagement. The rise of AI-assisted technologies may further impact search relevance, potentially harming Younited's business and financial performance.

Younited is dependent on internet search engines to direct traffic to Younited's website and refer new users to Younited's platform. Younited's reliance on internet search engines poses risks. Search engines, like Google, may modify algorithms or policies without prior notice, potentially resulting in significant declines in its organic search ranking and decreased platform traffic. If search engines' algorithms, methodologies and/or policies are modified or enforced in ways Younited does not anticipate, or if Younited's search results page rankings decline for other reasons, traffic to Younited's platform or user growth or engagement could decline, any of which would harm Younited's business, financial condition and results of operations.

The introduction of AI-assisted technologies could further impact search engine relevance, causing declines in Younited's ranking and decreased platform traffic, affecting Younited's financial results.

4.2 Financial Risks

Credit Risk

Credit risk is defined as the possibility of losses due to default by the borrowers and/or reduction in the value of the portfolio due to deterioration of credit quality of borrowers or counterparties. The Group has set up a defined credit risk management limit framework to ensure proper control over credit portfolios. This framework is approved by The Group's Board of Directors after considering various risk assessment and prevailing market conditions.

Holding loans on the Company's balance sheet exposes the Company to credit and liquidity risks, which may adversely affect the Company's financial performance

Younited historically implemented an "originate-to-distribute" model to ensure strong growth and reach a critical size. Progressively, Younited has kept on its balance sheet a growing part of the loans it originates, allowing Younited to capture the value of the platform. Thus, some of the loans Younited issues are on its balance sheet. Younited earns interest on the loans but is exposed to the credit risk of the borrowers. In the event of a decline or volatility in the credit profile and/or delinquency rates of these borrowers, the value of these held loans may decline. For example, increasing inflation and interest rates may cause borrowers to allocate more of their income to necessities such as housing and food, or increasing unemployment rates may reduce borrowers' revenues, thereby potentially increasing their risk of default by reducing their ability to make loan payments. Following the start of the Ukrainian war in 2022, increase in inflation led to an increase in risk levels and interest rate surge led to a decrease in fixed-rate loan portfolios.

Volatility or decline in the value of the loans held on balance sheet may produce losses if the Group is unable to realise their fair value or manage declines in their value, each of which may adversely affect the Group's financial performance. Further, increases in delinquency rates may require the Group to take additional allowances for losses, which may adversely affect the Company's financial performance and its ability to allocate sufficient financial resources for other purposes, such as advancing the Group's products and services, which could impact the Group's results of operations.

Market Risk

Market risk refers to the risk resulting from movements in market prices, and in particular, changes in interest rates, foreign exchange rates and equity and commodity prices. Thus, market risk is the risk to the earnings and capital due to changes in the market level of interest rates or prices of securities, equities, as well as the volatility of those changes.

Shifting from an "originate to distribute" to a "held to collect" model may adversely affect the Group's financial performance

As stated above, Younited historically operated predominantly an "originate-to-distribute" model. Under this model, the change in fair value of the loans kept on Younited's balance sheet arising from the volatility of rates and macroeconomic conditions has not been reflected in the Company's result of operations. If Younited's business model was to fully shift to a "held to collect" model, past changes in fair value would be crystallized in the Group's result of operation and may affect the Group's financial performance in a positive or negative way depending on the macroeconomic conditions at the date of the shift.

Younited has less experience operating in some of the newer market verticals and products into which it has expanded.

Younited has expanded into new verticals and products over the last several years, such as budget management tools or affinity insurance. Younited has less experience with these newer verticals and products than it does with the other more established verticals and products on Younited's platform. Accordingly, newer verticals may be subject to greater risks than the more established verticals on the Younited's platform.

The success of the Company's entry into new verticals and products will depend on several factors, including the offerings by current and future competitors, the Company's ability to innovate and disrupt markets by offering or creating new and compelling products for consumers, and Younited's ability to implement product features expected by consumers and partners in a cost-effective manner. Additionally, the Group's ability to implement efficient risk management in new verticals, attract and retain management and other skilled personnel, collect amounts owed from its partners, and develop successful and cost-effective marketing campaigns will be crucial. The Group's results of operations may suffer if it fails to successfully anticipate and manage these issues associated with expansion into new verticals and products.

Interest Rate Risk in the Banking Book

Interest rate risk arises when there is a mismatch between positions that are subject to interest rate adjustments within a specified period. The most important source of interest rate risk is lending, funding and investment activities, where fluctuations in interest rates are reflected in interest margins and earnings. Internal factors include the composition of assets and liabilities, borrowings, loans and investments, quality, maturity and interest rates. External factors include the general economic and monetary conditions. While the immediate impact of this risk is on Net Interest Income and the value of fixed income investments, in the long term, variations in interest rates impact The Group's net worth, since it has an impact on the economic value of its assets, liabilities and off-balance sheet positions. Various tools are used by Younited to manage interest rate risk and ensures it remains within both (i) regulatory limits and (ii) the risk appetite of the bank, such tools include (x) traditional gap analysis per maturity buckets to check the impact of change in the interest rate on Net Interest Income; and (y) duration gap analysis to assess the impact of interest rate movement on the equity value of the bank.

Liquidity Risk

Liquidity refers to Younited's ability to fund a decrease in liabilities or increase in assets and meet both cash and collateral obligations at a reasonable cost without adversely affecting its financial status. Liquidity risk arises when it is unable to meet such obligations. Liquidity risk is dependent on specific factors, such as maturity profile, composition of sources and uses of funding, the quality and size of the liquid asset buffer, and broader market factors such as wholesale market conditions alongside depositor and investor behavior. This type of risk may result in Younited's failure to meet regulatory liquidity requirements, support normal banking activity or, at worst, cease to be an ongoing concern.

If customers cease to deposit or reduce the amount of their savings in the Company's term deposits, the Company's business, financial condition and results of operations may be harmed.

Retail term deposits are a principal source of funding for Younited's balance sheet and are expected to continue to grow in the future. The ongoing availability of retail deposits is dependent on a variety of factors that are outside of the Group's control, such as general macroeconomic conditions, particularly interest rate levels; market volatility; the confidence of depositors in the economy, the financial services industry in general and competition for retail deposits, which, in turn, depends on the interest rates offered. Any deterioration in these or other factors could lead to a reduction in the Group's ability to access retail deposit funding on acceptable terms, or at all, in the future. A serious loss of confidence by deposit customers could result in increased difficulty in raising new deposits.

Any material reduction in term deposits by customers, , may have a material adverse impact on the Group's business, financial condition and results of operations.

An inability to maintain adequate liquidity could jeopardise the Group's business and financial condition.

Liquidity is essential to Younited's business. Although Younited believes that it currently has an adequate amount of liquidity to support its business, there are a number of factors that could reduce and/or deplete the Younited's existing liquidity position, including results of operations that are reduced compared to the Group's projections, costs related to existing or future litigation or regulatory matters, the pursuit of strategic business opportunities (whether through acquisition or organic) and unanticipated liabilities. Additionally, Younited is subject to stringent capital and liquidity regulations and requirements and needs to manage its liquidity position within the parameters and terms set forth by applicable regulations and regulators. For example, the liquidity coverage ratio is set at a minimum level of 100%, which means that the credit institution must hold sufficient liquid assets to meet its net cash outflows for a stress period of thirty (30) days, without recourse to central bank liquidity or public funds. Younited is subject to various legal, regulatory and other restrictions on its ability to make distributions and payments. Any inability to maintain an adequate liquidity position could adversely affect the Company's operations, its compliance with applicable regulations and the performance of its business.

Further, the Group's ability to raise additional capital, should that be deemed beneficial and/or necessary, depends on conditions in the capital markets, economic conditions and several other factors, including investor perceptions regarding the financial services and banking industry, market conditions, governmental activities, and the Group's financial condition and performance. Accordingly, the Group may be unable to raise additional capital if needed or on acceptable terms, which may adversely affect the Company's liquidity, business, financial condition and results of operations.

4.3 Capital Management and Adequacy

The commercial success of Younited's platform and services depends on the prominent marketing, presentation, integration and support of Younited's platform by its partners.

For point-of-sale loans, Younited relies on its merchant partners to present Younited's platform and services as financing solutions and to integrate Younited's platform into their websites or in their physical points of sale, such as by prominently featuring Younited's platform, and particularly Younited's instant credit solution, on their websites or in their points of sale. Younited may not have any recourse against its merchants if they do not prominently present its financing solutions or if they more prominently present solutions offered by its competitors.

The failure by Younited's partners to effectively present, integrate and support Younited's platform would have a material and adverse effect on the Younited's business, results of operations, financial condition and prospects.

Furthermore, although Younited's merchant partners are obligated to fulfil their contractual commitments to consumers and to comply with applicable law, including in marketing Younited's products, from time to time, they might not, or a consumer might allege that they did not. This, in turn, can result in claims or defences against Younited that may incur remediation costs. Historically, Younited has not incurred any such claims, but cannot give any assurance that it will not be the case in the future.

Risks related to Younited's reliance on third-party service providers to perform certain key functions.

Younited relies on third-party service providers to provide critical services to deliver Younited's products and operate Younited's business. These providers may support or operate critical business systems for Younited or store or process the same sensitive, proprietary and confidential information handled by Younited. There are various providers such as Cloud technology providers. Younited primarily serves its customers from third-party data centre hosting facilities provided by a third-party service provider. Any disruption of or interference with the Younited's use of such services would impair the ability to deliver its products and services to its customers, resulting in customer dissatisfaction, damage to Younited's reputation, loss of customers and harm to the Younited's business. The decision from third-party service providers to close the facilities without adequate notice or terminate Younited's hosting arrangement or other unanticipated problems could result in lengthy interruptions in the delivery of Younited's solutions, cause system interruptions, reputational harm and loss of critical data, prevent Younited from supporting its solutions or cause Younited to incur additional expense in arranging for new facilities and support. There are also Credit bureau, such as Banque de France FCC (fichier central des chèques)/FICP (fichier national des incidents de remboursement des crédits aux particuliers) in France, Central de Responsabilidades de Credito ("CRC") in Portugal, Center for Research in International Finance ("CRIF") in Italy and Equifax in Spain. Any unavailability or failure to connect to credit bureaus' databases in real-time during the credit application process may result in the temporary inability to deliver Younited's products and services. Third-party technological solutions used during the application process, such as solutions for electronic signature of credit contracts or open-banking solutions. Any disruption of such services may result in the temporary inability to deliver Younited's products and services. Finally External call centres handling customer requests. Younited relies on call centres to answer to part of customer requests. Any capacity shortage or any failure in partners' IT systems may result in service disruption or longer customer request treatment processing times for Younited's customers.

While Younited maintains oversight of the Younited third-party service providers, such third parties are ultimately responsible for maintaining their own network security, disaster recovery and system management procedures, and such third parties do not guarantee that Younited's customers' access to Younited's solutions will be uninterrupted, error-free or secure. These third-party service providers may be susceptible to operational, technological and security vulnerabilities, including security breaches or other security incidents (which may be caused by a variety of factors, including infrastructure changes, human or software errors, viruses, security attacks, fraud, spikes in customer usage and denial of service issues) that compromise the confidentiality, integrity or availability of the systems they operate for Younited or the information they process on Younited's behalf. In some instances, Younited may not be able to identify the cause or causes of these performance problems within an acceptable period. Any significant disruption to the infrastructure of such third-party service providers and/or any changes in the third-party service providers' service levels or any failure or security breaches by or of third-party service providers or their subcontractors that result in an interruption in service, unauthorised access, misuse, loss or destruction of data or other similar occurrences may significantly impact Younited's business operations, including making Younited's platform unavailable to the users. Frequent or persistent interruptions in services could cause customers to believe that Younited's products and services are unreliable, leading them to switch to Younited's competitors or to avoid Younited's products and services, and would likely permanently harm Younited's reputation and business.

In addition, service providers may rely on subcontractors that face similar risks. The ability to monitor third-party service providers and their subcontractors' security is limited and yet such occurrences could adversely affect Younited's business to the same degree as if it had experienced these occurrences directly.

Any of the foregoing could have a material adverse effect on Younited's business, financial condition and results of operations.

Risks related to Younited's reliance on Younited's financial institutions partners.

As Younited offers to its financial institutions partners its instant credit platform, which can be made available on a white label or co-branding basis, Younited's commercial success depends in part on the financial and commercial strength and underwriting standards of these financial institutions' partners. If Younited's financial services partners experience financial difficulties, they may cease participation on Younited's platform or tighten underwriting standards, which would result in fewer opportunities to earn fees from these financial institutions. Financial institutions partners could also change their online marketing strategies or implement cost-reduction initiatives that decrease consumer activity through Younited's platform. The occurrence of one or more of these events, alone or in combination, with a significant number of financial services partners could harm Younited's business, financial condition and results of operations.

In addition, Younited's deposit base is primarily intermediated and originated through the German deposit marketplace Raisin GMBH ("**Raisin**"). Any difficulty in or interruption of Younited's relationship with Raisin could likely prejudice the origination of Younited's term deposit, negatively impacting Younited's liquidity position. This could also impact Younited's ability to maintain its liquidity ratios and harm Younited's business, financial condition and results of operations. Younited is in the process of contracting with Check24 Vergleichsportal GmbH to raise term-deposits through its platform, in addition to Raisin, to diversify its term-deposits sources.

Risks related to Younited's reliance on key management.

Younited operates in an environment at the intersection of rapidly changing technological, social, economic and regulatory developments that require a wide-ranging set of expertise and intellectual capital. Younited's commercial success is significantly dependent upon the continued service of its executives and other key employees, and in particular co-founders Geoffroy Guigou, Chief Operating Officer, and Charles Egly, Chief Executive Officer. The departure of a member of management or a key employee may not be replaced by an appropriate or qualified person, which could result in additional expenditure to recruit and train a replacement and could harm Younited's business and growth.

To maintain and develop Younited's activities, Younited will continue to identify, attract, hire, develop, motivate and retain highly skilled employees, which requires significant time, expense and effort. Competition for highly skilled personnel in the consumer financial services industry is intense. Younited may need to invest significant amounts of cash and equity to attract and retain new employees and may never realise returns on these investments. If the management team, including any new hires, fails to work together effectively and to execute Younited's plans and strategies on a timely basis, Younited's business would be harmed. Any of these risks could have a material adverse effect on Younited's business, results of operations, financial condition or prospects.

Younited has a history of operating losses and may not achieve sustained profitability.

Younited incurred net losses of in 2024 and in 2023 respectively. Despite the scalability of Younited's technology platform, Younited's operating expenses may increase in the future as Younited seeks to continue to grow its business, attract consumers, merchants, funding sources such as deposits, and further enhance and develop Younited's products and platform and Younited may not succeed in increasing its revenue sufficiently to offset these higher expenses.

4.4 Operational and Compliance Risks

Operational Risks

Operational risk is defined as the risk of loss resulting from inadequate or failed internal processes, people and systems or from external events. This definition includes legal risk but excludes strategic risk and reputational risk. While operational risk management is the responsibility of various functions and business units handling operational activities, it is overseen at the director level by the Group Risk Committee.

If the credit decisioning, pricing, loss forecasting and scoring models Younited uses contain errors, do not adequately assess risk or are otherwise ineffective, Younited's reputation and relationships with customers could be harmed, Younited's market share could decline, and the value of loans held on Younited's balance sheet may be adversely affected.

Younited's ability to attract customers to, and build trust in, Younited's platform is significantly dependent on Younited's ability to effectively evaluate a borrower's credit profile and likelihood of default. To conduct this evaluation, Younited utilises credit decisioning, pricing, loss forecasting and scoring models that assign each loan offered through Younited's platform a grade and a corresponding interest rate. Younited's models are based on algorithms that evaluate several factors, including behavioural data, transactional data, bank data and employment information, which may not effectively predict future loan losses. If Younited is unable to effectively segment borrowers into relative risk profiles, Younited may be unable to offer attractive interest rates for borrowers and deliver adequate returns on Younited's loan portfolios.

Additionally, if these models fail to adequately assess the creditworthiness of Younited's borrowers, Younited may experience higher than forecasted losses. Furthermore, as stated above, Younited holds loans on its balance sheet. Younited periodically assesses the value of these loans, and in doing so, Younited reviews and incorporates several factors including forecasted losses. Accordingly, if Younited fails to adequately assess the creditworthiness of borrowers such that Younited experiences higher than forecasted losses, the value of the loans held on Younited's balance sheet may be adversely affected.

Younited continually refines these algorithms based on new data and changing macroeconomic conditions. However, there is no guarantee that the credit decisioning, pricing, loss forecasting and scoring models that

Younited uses have accurately assessed the creditworthiness of Younited's borrowers or will be effective in assessing creditworthiness in the future.

Similarly, if any of these models contain programming or other errors (whether human or otherwise), are ineffective or the data provided by borrowers or third parties is incorrect or stale, Younited's loan pricing and approval process could be negatively affected, resulting in mispriced or misclassified loans or incorrect approvals or denials of loans.

Further, the use of these models, algorithms and artificial intelligence for determining loan grades and corresponding interest rates may also heighten the risk of legal or regulatory scrutiny. Younited may be required to alter its models for compliance purposes, which could impact the interest rates offered to borrowers, the risk-adjusted returns offered to investors, result in higher losses or otherwise impact Younited's results of operations.

Additionally, Younited analyses first-party data from users, third-party data from financial account aggregators and credit reports to understand its users' unique financial situations. If Younited is unable to efficiently handle the data provided to Younited, the value that Younited provides to consumer partners may be limited, which would harm Younited's business, financial condition and results of operations.

If collection efforts on loans are ineffective or unsuccessful Younited's profit in those loans would be adversely affected.

Many of Younited's loan products, including all Younited's personal loans, are unsecured obligations of borrowers, and they are not secured by any collateral. None of the loans facilitated on Younited's platform are guaranteed or insured by any third party or backed by any governmental authority in any way. Younited is the loan servicer for all loans sold as whole loans. The ability to collect on the loans is dependent on the borrower's continuing financial stability and willingness to make loan payments, and consequently, collections can be adversely affected by several factors, including job loss, divorce, death, illness, bankruptcy or the economic and/or social factors. Collection efficiency may consequently differ from Younited's targets, impacting on the valuation of loans. It is possible that a higher percentage of consumers will seek protection under bankruptcy or debtor relief laws because of an inflationary environment, the possibility of a recession and market volatility.

Depending on their lateness status certain delinquent loans may be referred to a collection agent that will service the loans using its own servicing platform. Further, if collection action must be taken in respect of a loan, the collection agent will charge Younited additional collection or recovery fees, which will reduce the net amounts of collections that Younited receives.

If Younited, or third parties on Younited's behalf, cannot adequately perform collection services on the loans, Younited will not be entitled to any remittances under the terms of the investment. Similarly, Younited's profit may be impacted by declines in market rates for sales of charged-off loans to third-party purchasers.

Further, Younited uses internet-based processes to obtain application information and distribute certain legally required notices to applicants and borrowers of Younited's loans and to obtain electronically signed loan documents. These processes may result in greater risks than paper-based loan originations, including risks regarding the sufficiency of notice for consumer protection laws, risks that borrowers may challenge the authenticity of loan documents or the validity of the borrower's electronic signature on loan documents and risks that unauthorised changes are made to electronic loan documents. Any of these factors could cause Younited's loans or certain terms of Younited's loans to be unenforceable against a borrower or impair Younited's ability to service the loans, which could adversely affect the value of Younited's loans and Younited's business, financial condition and results of operations.

Younited's actual credit losses could exceed its provisions for credit losses and write-downs.

Younited uses various estimates when determining its provision for credit losses and write-downs. As per IFRS 9 standards, loans are segmented as follows:

- Stage 1 loans: performing loans.
- Stage 2: loans with significant increase in credit risk since initial recognition.
- Stage 3: non-performing loans.

Stage 1 loans impairments correspond to the first 12-month expected credit loss of loans. Stage 2 and stage 3 loans impairments are expected to equal loans' lifetime expected credit losses.

Younited's estimates of a loan's first 12-month and lifetime expected credit losses are based on analysis and modelling of Younited's historical credit performance data; however, Younited's analysis and model may not accurately predict the actual defaulted amounts and recoverable amounts of Younited's past due loans. If Younited does not accurately estimate them, Younited's credit losses could be increased.

Since the provision necessary to cover credit losses can only be estimated, there is a risk that actual credit losses will be materially greater than the provision accounted for to cover such losses.

Credit and other information that Younited receives from borrowers or third parties about a borrower may be inaccurate or may not accurately reflect the borrower's creditworthiness, which may cause Younited to inaccurately price loans made through Younited's platform.

Younited's ability to review and select qualified borrowers depends to a certain extent on obtaining borrower credit information from consumer reporting agencies, such as CRIF, Experian, CTC, Equifax, CRC and other third parties. Younited assigns loan grades to loan requests based on Younited's credit decisioning and scoring models that consider reported credit score, other information reported by the consumer reporting agencies, in addition to a variety of other factors. A credit score or loan grade assigned to a borrower may not reflect the borrower's actual creditworthiness because the credit score or loan grade may be based on outdated, incomplete or inaccurate data and Younited does not verify the information obtained from a borrower's credit report.

Additionally, there is a risk that, after the date of the credit report or other third-party data that Younited obtains and reviews, a borrower may have become delinquent in the payment of an outstanding obligation, taken on additional debt, sustained other adverse financial events, or supplied a variety of information, some of which may be inaccurate or incomplete.

The factors above may result in loans being issued to otherwise non-qualified borrowers and/or impact Younited's ability to effectively segment borrowers into relative risk profiles, each of which may impair Younited's ability to deliver adequate returns on its loan portfolios.

Failure to maintain, protect and promote Younited's brand may harm Younited's business.

To attract consumers to Younited's platform and generate repeat visits, Younited must market its platform and maintain consumer trust. Maintaining, protecting and promoting Younited's brand is critical to achieving widespread acceptance of Younited's products and services and expanding Younited's base of customers. Maintaining, protecting and promoting Younited's brand depends on many factors, including Younited's ability to continue to provide useful, reliable, secure and innovative products and services, as well as Younited's ability to maintain trust.

Younited believes that continuing to build and maintain the recognition of Younited's brand is important to achieving increased demand for the products Younited provides. Accordingly, Younited has spent, and expects to continue to spend, significant amounts on, and devote significant resources to, branding, advertising and other marketing initiatives, which may not be successful or cost-effective. Younited's brand promotion activities may not generate consumer awareness or yield increased revenue, and even if they do, any increased revenue may not offset the expenses Younited incurs in building Younited's brand.

Younited's brand can be harmed in many ways, including failure by Younited or its partners or merchants with whom Younited works to satisfy expectations of service and quality, inadequate protection of sensitive information, failure to maintain or provide adequate or accurate documentation and/or disclosures, compliance failures, failure to comply with contractual obligations, regulatory requests, inquiries or proceedings, litigation and other claims, employee misconduct and misconduct by Younited's partners.

The strength of Younited's brand may also be harmed by adverse publicity from many sources. Adverse publicity and the potential corresponding impact on Younited's reputation may be accelerated and amplified by the widespread use of social media platforms. Furthermore, adverse publicity, from legal proceedings against Younited or its business, including governmental proceedings and consumer class action or other litigation, or the disclosure of information from security breaches or other incidents, could negatively impact Younited's reputation and its brand, which could materially and adversely affect Younited's business and financial condition and results of operations.

Furthermore, Younited's ability to maintain, protect and promote Younited's brand is partially dependent on visibility and customer reviews on third-party platforms. Changes in the way these platforms operate could make the maintenance, protection and promotion of Younited's products and services and Younited's brand more expensive or more difficult.

Many of Younited's stakeholders are becoming increasingly interested in Younited's environmental, social, governance and other sustainability responsibilities, strategy and related disclosures. In 2023, Younited applied for B Corp certification, an international certification that assesses the social and environmental impact of companies, which enabled Younited to benchmark Younited against the best CSR practices on the market. Younited also completed its first *Bilan Carbone*, covering scopes 1, 2 and 3 and is taking part in the *Convention des Entreprises pour le Climat*. Younited's absolute and relative progress and disclosures, or lack thereof, on environmental, social, governance and other sustainability matters could impact Younited's reputation, brand and the willingness of certain platform and equity investors to hold Younited's loans or common stock, respectively. If Younited does not successfully maintain, protect and promote Younited's brand, Younited may be unable to maintain and/or expand its base of customers and investors, which may materially harm Younited's loan origination.

Any significant disruption in Younited's technology systems, including events beyond Younited's control, or failure in Younited's technology initiatives could have a material adverse effect on Younited's operations.

Younited believes its technology platform enables it to deliver solutions to customers and investors and provides a significant time and cost advantage over Younited's competition. The satisfactory performance, reliability and availability of Younited's technology and Younited's underlying network infrastructure are critical to Younited's operations, customer service and reputation. Continued access to Younited's products and platform capabilities depends on the efficient and uninterrupted operation of numerous systems, including Younited's computer systems, software, data centres and telecommunications networks, as well as the systems of third parties, such as national financial system network infrastructure providers, back office and business process support, information technology production and support, internet and telephone connections, network access, data centre infrastructure services and cloud storage and computing. However, these systems and technologies are vulnerable to disruptions, failures or slowdowns. Younited has experienced, and may in the future experience, disruptions, outages and other performance problems due to a variety of factors, including infrastructure changes, introductions of new functionality, human or software errors, capacity constraints due to an overwhelming number of customers accessing Younited's products and platform capabilities simultaneously, denial of service attacks or other security-related incidents, natural disasters, power outages, terrorist attacks, hostilities and other events beyond Younited's control. Younited's failure to maintain satisfactory performance, reliability and availability of Younited's technology and underlying network infrastructure may impair Younited's ability to attract new and retain existing customers or investors, which could have a material adverse effect on Younited's operations.

Additionally, in the event of damage or interruption, Younited's insurance policies may not adequately compensate Younited for any losses that Younited may incur. Younited's disaster recovery plan has not been tested under actual disaster conditions, and Younited may not have sufficient capacity to recover all data and services in the event of an outage. These factors could prevent Younited from processing or posting payments on loans, processing loan purchases or investments, damage Younited's brand and reputation, divert Younited's employees' attention, reduce its revenue, subject Younited to liability and cause customers to abandon Younited's platform, any of which could adversely affect Younited's business, financial condition and results of operations.

As Younited's business grows, it may become increasingly difficult to maintain and improve the performance of Younited's information technology systems. To the extent that Younited does not effectively address capacity constraints, upgrade Younited's systems as needed and continually develop Younited's technology and network architecture to accommodate actual and anticipated changes in technology, Younited may experience a loss of customers, lost or delayed market acceptance of Younited's platform and products, delays in payment to Younited by customers, injury to Younited's reputation and brand and Younited's business, financial condition and results of operations may be adversely affected.

Younited's ability to remain competitive and achieve further growth will depend in part on Younited's ability to upgrade Younited's information technology systems and increase Younited's capacity on a timely and cost-effective basis. Younited must continually make significant investments and improvements in Younited's information technology infrastructure to remain competitive. While Younited takes steps to mitigate the risks and uncertainties associated with these investments, these investments may not be implemented on time (or at all), within budget or without negative financial, operational or customer impact. Further, when implemented, these initiatives may not perform as Younited or its customers, investors and other stakeholders expect. Younited also may not succeed in anticipating or keeping pace with future technology needs, technology demands of its customers or the competitive landscape for technology. The failure to implement new and maintain existing technologies could adversely affect Younited's business, financial condition and results of operations.

Fraud could have a material adverse effect on Younited's business, financial condition and results of operations.

Younited offers products and services to many customers, and Younited is responsible for vetting and monitoring these customers and determining whether the transactions Younited processes for them are legitimate. When Younited's products and services are used to process illegitimate transactions and Younited settles those funds, for example in the event of a fraudulent loan application or identity theft, Younited is unable to recover them, suffers losses and incurs liabilities. These types of illegitimate transactions can also expose Younited to governmental and regulatory sanctions.

The highly automated nature of, and liquidity offered by, Younited's credit solutions make Younited a target for illegal or improper uses, including fraudulent or illegal sales of goods or services, money laundering and terrorist financing. Identity thieves and those committing fraud using stolen or fabricated account numbers, or other deceptive or malicious practices, potentially can steal significant amounts of money from businesses like Younited's. It is possible that incidents of fraud could increase in the future. Failure to effectively manage risk and prevent fraud would increase Younited's liability and could have a material adverse effect on Younited's business, financial condition and results of operations.

Younited bears the risk of consumer fraud in a transaction involving Younited, a consumer and a merchant, and Younited generally has no recourse to the merchant to collect the amount owed by the consumer. Significant amounts of fraudulent cancellations or chargebacks could adversely affect Younited's business or financial condition. High profile fraudulent activity or significant increases in fraudulent activity could also lead to regulatory intervention, negative publicity and the erosion of trust from Younited's consumers and merchants, and could materially and adversely affect Younited's business, results of operations, financial condition, prospects and cash flows.

If Younited does not maintain or continue to increase loan originations, Younited may not succeed in maintaining and/or growing its business, and as a result Younited's business and results of operations could be adversely affected.

The vast majority of Younited's revenue currently comes from fees, commissions and interest margin generated by the unsecured personal loans it originates. Growing these revenue streams may require that Younited increases loan originations over time. Doing so requires that Younited attract many new borrowers who meet Younited's platform's lending standards and those of new and existing merchants and/or of partnering banks and fintech's. ,. Doing so may require developing verticals such as car financing (e.g., second-hand cars, accessories, repairs) and home improvement (e.g., household energy retrofitting).

Younited's ability to hold loans is dependent on several factors, including the economic and interest rate environment, the performance of Younited's loans and the conditions of capital markets. If any of these factors is volatile or adverse, then Younited may be unable to hold or sell as many loans as Younited could potentially originate and, therefore, Younited would need to reduce Younited's origination volume. If loan originations through Younited's platform stagnate or decrease, for any reason, Younited's business and financial results may be adversely affected.

Younited believes its success depends on users finding its product offerings to be of value to them. To enhance customer engagement and diversify Younited's revenue streams, Younited is undertaking a strategy to broaden the scope of the products and services it offers. For example, Younited initially built its content by providing instant loan products directly accessible on its platform. Younited then reached out to professionals by implementing point-of-sale financing solutions granted by merchants to their customers or by giving access to

Younited's platform for instant loans to banks and FinTech's. Besides instant loan products, Younited has also developed other solutions for its customers, such as budget management tools or affinity insurance.

To penetrate new verticals, Younited will need to develop a deep understanding of those new markets and the associated business challenges faced by participants in them. Developing this level of understanding may require substantial investments of time and resources, and Younited may not be successful. In addition to the need for substantial resources, government regulation could limit Younited's ability to introduce new product offerings. If Younited fails to penetrate new verticals successfully, Younited's revenue may grow at a slower rate than it anticipates, and Younited's business, financial condition and results of operations could be materially adversely affected. Younited must also continue to innovate and improve on its technology and product offerings to continue future growth and successfully compete with other companies in its markets, otherwise Younited's brand and future growth could be materially adversely affected.

In addition, the market for financial services products is rapidly evolving, fragmented and highly competitive. Competition in this market has intensified, and Younited expects this trend to continue as the list of financial services providers grows. There are many established and emerging technology-centric financial services providers offering a multitude of products to consumers across all financial verticals. If Younited fails to successfully anticipate and identify new trends, products and emerging financial services providers, and provide up-to-date educational content, tools and other relevant resources timely, Younited's ability to engage consumers and financial services providers may suffer, which would harm Younited's business, financial condition and results of operations.

If Younited is unable to attract additional merchant partners, retain its existing merchant partners and grow and develop its relationships with new and existing merchant partners, Younited's business, results of operations, financial condition and prospects would be materially and adversely affected.

Younited derives a portion of its revenue from its relationships with merchant partners, such as Bouygues Telecom, Iliad or Apple Premium Resellers, and the consumer loans processed through Younited's platform for the payment of purchases.

Younited's ability to retain and grow its relationships with its merchant partners depends on the willingness of merchants to partner with Younited. The attractiveness of Younited's platform to merchants depends upon, among other things: Younited's brand and reputation; the amount of merchant fees that Younited charges; the attractiveness to merchants of Younited's technology and data-driven platform; services and products offered by competitors; Younited's loan application acceptance rate; and Younited's ability to perform under, and maintain, its merchant agreements.

Furthermore, having a diversified mix of merchant partners is important to mitigate risk associated with changing consumer spending behaviour, economic conditions and other factors that may affect a particular type of merchant or industry.

Younited's continued success also is dependent on its ability to successfully grow and develop relationships with its merchant partners, particularly in certain verticals such as telcos and consumer electronic distributors, car manufacturers and resellers or home equipment retailers. Accordingly, these merchant partners may have, or may enter in the future, similar agreements with Younited's competitors, which could adversely affect Younited's ability to drive the level of transaction volume and revenue growth that Younited seeks to achieve or to otherwise satisfy the high expectations of Younited's investors and financial analysts relating to those relationships. Younited may, therefore, be compelled to renegotiate its agreements with merchant partners from time to time, possibly upon terms significantly less favourable to Younited than the terms included in its existing agreements with those merchant partners.

Younited's current lack of geographic diversity exposes Younited to risk, and potential further expansion of Younited's operations internationally will subject Younited to new challenges and risks.

Younited's operations are geographically limited and primarily dependent upon consumers and economic conditions in Younited's historical markets, France and Italy. As such, Younited is more vulnerable to downturns or other conditions that affect the European economy. Any downturn or other adverse conditions in the European economy could harm Younited's business and financial results.

Younited has also entered the Spanish and Portuguese markets. Future international operations, if implemented, would require Younited to comply with new regulatory frameworks and additional resources and controls. This includes adjusting the proprietary risk algorithms to account for differences in consumer information across jurisdictions, ensuring Younited's platform conforms to applicable business customs, including translation into foreign languages and associated expenses, and competing with vendors and service providers that have greater experience in local markets or pre-existing relationships with potential consumers and investors. Additionally, Younited would need to comply with multiple, potentially conflicting and changing governmental laws and regulations, such as banking, anti-money laundering, anti-bribery laws, securities, employment, tax, privacy, and data protection laws, including the EU General Data Protection Regulation. Other considerations include potential restrictions on repatriation of earnings and regional economic and political conditions.

Regulatory, Legal and Tax Risks

Regulatory Environment

Younited is subject to extensive and evolving prudential regulation that may limit operational flexibility, increase costs and capital requirements.

The Company qualifies as an EU parent financial holding company and/or parent financial holding company in an EU Member State within the meaning of CRR since it is the ultimate parent holding of Younited S.A., a French specialized credit institution and investment services provider supervised by the ACPR, the AMF and the ECB. On 2 December 2024, the Company obtained from the ACPR and CSSF an exemption from the FHC Approval Requirement.

Following the Business Combination, The Company and Younited S.A. are both within the same prudential consolidation perimeter, with Younited S.A. being designated as responsible to ensure compliance with prudential requirements and constraints further developed below on a consolidated basis, including compliance with reporting requirements *vis-à-vis* competent authorities. As such, the Company and Younited S.A. are both subject to the prudential supervision of the competent regulatory authorities and to extensive and evolving prudential regulation at both the European and national levels, which aims to ensure the soundness, stability and resilience of the banking sector and to protect the interests of borrowers and consumers. Prudential regulations result in various requirements and constraints in respect of, inter alia, Company's and Younited S.A.' activities, shareholding structure, governance, internal organisation, their levels of capital, liquidity or leverage, their risk management, reporting and disclosure policies and the resolution process applicable to them, which may limit Younited's operational and strategic flexibility, increase costs and liabilities, limit the distribution of dividends and expose the Group to regulatory sanctions or reputational damage in case of non-compliance.

Prudential regulations may affect Younited competitive position and profitability, because they may have an impact on market access, funding sources and capital allocation. The risk factors set out below that are linked to Younited S.A.' status as a regulated financial institution may also impact the Company, insofar as Younited S.A. is the sole asset of the Company.

The French Monetary and Financial Code allows the ACPR to impose specific prudential requirements on credit institutions, while considering certain parameters. On 27 December 2024, as part of its annual Supervisory Review and Evaluation Process ("SREP") assessment of supervised institutions, the ACPR notified Younited S.A. of its decision to (i) increase the minimum Net Stable Funding Ratio ("NSFR") of Younited S.A. to 110% (Younited has historically always comfortably operated above this level); and to (ii) apply a specific liquidity requirement concerning the use of online deposit collection platforms ("ODCP"), based on article L. 511-41-3, IV of the French Monetary and Financial Code. The ACPR imposed the following three obligations, which would be applicable from 1 January 2025: (a) Compliance with a maximum ratio of 500% between outstanding deposits collected on ODCPs and the amount of Younited S.A.' CET1 capital, to ensure proportionate recourse to ODCPs, (b) the respect of a maximum ratio, determined by the ACPR, between (i) on the one hand, the total outstanding deposits collected through ODCPs and (ii) on the other hand, Younited S.A.' total sources of financing of its liabilities, to ensure a diversification of Younited S.A.' sources of financing and (c) the maintenance by Younited S.A. of interbank or central bank deposits, the amount of which must at all times remain higher than a fraction of the number of deposits collected via ODCPs determined by the ACPR, in order to maintain a sufficient liquidity cushion for depositor reimbursements.

The spirit of the measures envisaged is to provide a framework for the diversification of Younited S.A.'s sources of financing, which was presented to the ACPR in its business plan and during discussions as part of the application for a change of control. The impact of these measures should be limited on Younited S.A.'s business plan. However, these additional measures necessarily impose additional constraints on Younited S.A. in the day-to-day management of its business and Younited S.A. has less flexibility to adjust its various sources of financing.

In the future, the ACPR may decide to lower, increase or remove such specific requirements. The ACPR may also decide to impose additional specific prudential requirements on Younited S.A.. Such specific requirements may have an impact on the management by Younited S.A. of its funding structure and other prudential parameter.

Prudential regulation is frequently amended and adapted to reflect the evolving economic, financial and political environment, and to incorporate the lessons learned from past crises and the recommendations of international standard-setters and regulatory authorities. Such changes may have a significant and unforeseen impact on Younited's business models, risk profiles and financial performance, and may require them to adjust their strategies, policies and processes accordingly, which may entail significant costs and efforts. Failure to comply with or implement procedures, operations or requests from regulatory authorities in a timely manner may have a material adverse effect on their business, financial situation and results of operations.

The prudential regulatory environment has evolved over time and includes (i) Directive (EU) 2013/36 of the European Parliament and of the Council of 26 June 2013 ("CRD IV" as amended or replaced from time to time, including by Directive (EU) 2019/878 of the European Parliament and of the Council of 20 May 2019 ("CRD V") and by Directive (EU) 2024/1619 of the European Parliament and of the Council of 31 May 2024 ("CRD VI")) and (ii) Regulation (EU) No. 575/2013 of the European Parliament and of the Council of 26 June 2013 ("CRR", as amended or replaced from time to time, including by Regulation (EU) 2019/876 of the European Parliament and of the Council of 20 May 2019 ("CRR II") and by Regulation (EU) 2024/1623 of the European Parliament and of the Council of 31 May 2024 ("CRR III")).

CRD VI amends CRD IV as regards to supervisory powers, sanctions, third-country branches and environmental, social and governance ("ESG") risks. It must be transposed into national law by Member States by 10 January 2026. In general, CRD VI measures will be applicable from 11 January 2026, apart from provisions on third-country branches applicable from 11 January 2027. As at the date of this Annual Report, the national implementations of CRD VI in the markets where Younited is active are not yet known.

CRR III amends CRR as regards to requirements for credit risk, credit valuation adjustment (CVA) risk, operational risk, market risk and the output floor. CRR III will apply from 1 January 2025, except for certain provisions that applied from 9 July 2024.

Younited operates in a business that is heavily regulated, and European and national laws and regulations that are relevant to Younited's organisation and activities may be amended from time to time and require the adaptation of Younited's practices, which may result in unexpected costs.

As a regulated financial institution, Younited operates in an environment that is heavily regulated by financial services laws and regulations at European and national levels in each jurisdiction where Younited conducts its business. Laws and regulations that are relevant to Younited's organization and activities may be amended from time to time and the interpretation of legal and regulatory requirements by competent supervisory authorities and competent courts may change over time. This may require the adaptation of Younited's practices, which may result in unexpected costs.

Younited also must comply with Directive (EU) 2015/2366 of the European Parliament and of the Council of 25 November 2015 on payment services in the internal market ("PSD2").

Any changes in the payment services regulation might require Younited to further adapt its practices, procedures and business model. Such changes may negatively impact Younited's financial position with unexpected costs.

Furthermore, as a specialised credit institution licenced to provide certain investment services, Younited is subject to the second Markets in Financial Instruments Directive ("MiFID II"), as transposed under national law. Any changes in the investment services regulation might require Younited to further adapt its practices, procedures and business model. Such changes may negatively impact Younited's financial position with unexpected costs.

Resolution Powers and Capital Instruments

Younited is subject to resolution powers, including write-down and conversion of capital instruments and bail-ins, which may have negative impacts on Younited's business and on the value of the shares of the Company.

Younited S.A., as a specialised credit institution and investment services provider, is subject to the European framework for the recovery and resolution of credit institutions and investment firms, established by the Directive (EU) 2019/879 of the European Parliament and of the Council of 20 May 2019 ("BRRD") and the Single Resolution Mechanism Regulation ("SRMR") (as amended by Directive (EU) 2014/59 of the European Parliament and of the Council of 15 May 2014 ("BRRD II") and Single Resolution Mechanism Regulation II ("SRMR II")) and as transposed into French law. The Company, as a financial holding company within the meaning of CRR, is also subject to this framework, as transposed into national law.

This framework provides relevant resolution authorities with common tools and powers to ensure that failing or likely to fail credit institutions and banking groups can be resolved in an orderly manner, without recourse to public funds and with minimal disruption to the financial system and the real economy.

Under this framework, resolution authorities are responsible for preparing and implementing resolution plans and decisions for entities subject to this framework. The measures mentioned in the resolution plan are indicative and not binding on the resolution authorities. The resolution authority may also require Younited S.A. to maintain a minimum level of own funds and eligible liabilities ("MREL") that can be used to absorb losses and restore Younited S.A.'s capital position in case of resolution.

The resolution authority may decide to apply resolution measures if it determines that an institution or entity is failing or likely to fail, there is no reasonable prospect that any other action will prevent the failure within a reasonable timeframe, and a resolution measure is necessary because a liquidation procedure would fail to achieve the resolution objectives. These objectives include ensuring the continuity of critical functions, avoiding a significant adverse effect on the financial system, protecting public funds by minimizing reliance on extraordinary public financial support, and protecting client funds and assets, particularly those of depositors.

If these conditions are met, the resolution authority may apply one or more resolution tools, with a view to recapitalizing the institution or entity, or restoring its viability. These resolution tools include the sale of the business tool, the bridge institution tool, the asset separation tool or the bail-in tool. The bail-in tool allows the resolution authority to write down, convert or cancel shares or other liabilities, in order of seniority, to restore the failing institution's viability or facilitate its orderly winding-up.

The resolution authority could also, independently of a resolution measure or in combination with a resolution measure, carry out a write-down of equity or a conversion of all or part of the capital instruments (including subordinated debt instruments) into equity if it determines that the institution or entity will no longer be viable unless it exercises these write-down or conversion powers or if the institution or entity will require extraordinary public financial support.

Application of the bail-in tool or any other resolution or write-down measure may result in the loss of value, the conversion, the cancellation or the subordination of Younited S.A.' shares or other liabilities and may have a material adverse effect on the Company as the majority shareholder of Younited S.A.

After a resolution procedure is initiated, and in addition to the bail-in tool, the resolution authority is provided with broad powers to implement other resolution measures with respect to institutions that are placed in resolution and/or, under certain circumstances, their group, which may include (without limitation) the sale of the institution's business, the separation of assets, modifications to the terms of instruments (including imposing a temporary suspension of payments), discontinuation of the listing and admission to trading of financial instruments, the dismissal and/or replacement of directors and/or of managers or the appointment of a temporary special administrator (*administrateur spécial*) and the issuance of new equity or own funds.

Alongside those resolution tools, the resolution authority may temporarily suspend any payment obligation or delivery obligation under a contract entered by the relevant entity, so long as the payment and delivery obligations continue to be performed, and collateral continues to be provided.

Younited S.A. has been designated as the “resolution entity” in respect of which the resolution plan prepared by the resolution authority provides for resolution actions. The *in concreto* implementation of the European framework for the recovery and resolution of credit institutions and investment firms, both in terms of resolution tools and resolution strategy remains subject to the resolution authority’s discretion and may evolve should Younited S.A. be subject to the FHC Approval Requirements in the future.

Application of these broad powers by the resolution authority may lead to changes to, and may have negative impacts on, Younited’s business, the value of Younited’s shares and the strategic direction Younited.

Deposit Guarantee Scheme and Debt Collection

Changes to the French deposit guarantee scheme, or a decision that Younited’s retail deposits will no longer be covered by the French deposit guarantee scheme, could have an adverse effect on Younited’s business, financial position and results of operations.

As an entity regulated by the ACPR, Younited S.A.’ deposit products are guaranteed by the *Fonds de garantie des dépôts et de résolution* (FGDR). The maximum insured amount under the French deposit guarantee scheme is currently €100,000. A customer’s total deposits with Younited in its accounts could exceed the maximum amount covered by the French deposit guarantee scheme or interest accrued on the account, and the amount exceeding the limit would not be insured. If the maximum insured amount under the French deposit guarantee scheme were to be reduced, if the French deposit guarantee scheme were cancelled in its entirety or if the terms attaching to the French deposit guarantee scheme were otherwise adversely amended, it could substantially affect the inflow of new retail deposits to Younited and result in a significant increase in the amount of retail deposit withdrawals. As a result, Younited’s business, financial position and results of operations could be materially adversely affected.

The loss of coverage by the French deposit guarantee scheme could mean that Younited would have to discontinue offering retail deposit products or pay higher interest rates to attract new deposit inflows, which could adversely affect Younited’s liquidity position and impair its ability to fund its business as well as its ability to continue its business as currently conducted.

In addition, the European Commission adopted a proposal on 18 April 2023 to strengthen the framework for bank crisis management and deposit guarantees (CMDI). This proposal could lead to wider use of the guarantee and resolution funds and increase Younited’s contributions to the guarantee and resolution funds.

Younited could be adversely affected by changes in laws regarding debt collection, debt restructuring and personal bankruptcy.

Younited recoveries on written-down loans depend primarily on the effectiveness of the legal debt collection systems, including laws regarding debt collection, debt restructuring and personal bankruptcy, in the countries in which it operates. Recoveries are, to some extent, dependent on the commitment by and the efficiency of Younited’s third-party debt collection partners. Younited’s ability to collect on its past due loans could also be adversely affected by changes in debt restructuring or personal bankruptcy laws if, for example, other creditors are granted priority over personal loan providers in restructurings or bankruptcies.

Younited’s business could also be adversely affected by changes in laws regarding statutes of limitations on debt collection. There is a risk that the statute of limitations on debt collection could be shortened, or the ability to extend the statute of limitations could be restricted or abolished, in the countries in which Younited operates, which could adversely affect Younited’s ability to collect from defaulting customers if it is not able to claim in court repayment of outstanding debts.

Any changes in laws and regulations affecting Younited’s ability to collect from defaulting customers could have a material adverse effect on its business, financial condition and results of operations.

Younited may be adversely affected by changes in laws regarding its collateralised funding structures.

Younited regularly sells personal loans in its loan portfolio to special purpose vehicles (“SPVs”), and such loans are used as security for Younited’s collateralised funding in the form of asset-based securities (“ABSs”) and warehouse financing. In planning and structuring such funding, Younited relies on the existing regulatory framework concerning securitisation and/or the sale of non-performing loans, including but not limited to, Regulation (EU) 2017/2402 and Directive (EU) 2021/2167 (as implemented in certain member states). Changes to the legal or regulatory requirements including as to the interpretation thereof, may require Younited to change its funding structures to maintain compliance with the relevant requirements. It also relies on certain interpretations of applicable tax laws about, among others, the valuation of the personal loans transferred to the SPVs and the timing and classification of payments within Younited's group. Changes in tax laws or challenges to Younited's interpretation of applicable tax laws may require Younited to change its funding structures and could expose Younited to additional tax liabilities, including accrued interest and penalties, which could have a material adverse effect on Younited's business, financial condition and results of operations.

In addition, a change in national banking monopoly regulations (*e.g.*, restricting the possibility to transfer loans to SPVs) could have a negative impact on Younited's ability to sell personal loans in its loan portfolio to SPVs. Thus, such a change could have a material adverse effect on Younited's business, financial condition and results of operations.

Compliance and Legal Risks

Failure to comply with anti-money laundering, anti-terrorist financing and sanctions regulations could have a material adverse effect on Younited's business, financial condition and results of operations.

Younited is subject to laws and regulations regarding money laundering, the financing of terrorism and sanctions. Monitoring compliance with such laws and regulations can put a significant financial burden on banks and other financial institutions, and compliance requires significant technical capabilities.

Although Younited believes that its current policies and procedures are sufficient to comply with applicable laws and regulations relating to anti-money laundering, anti-terrorist financing and sanctions, there is a risk that such policies will not be effective in preventing money laundering, terrorist financing or violations of sanctions, including actions by Younited's employees for which Younited could be held responsible.

Any such breach of the applicable regulations preventing money laundering and terrorist financing or violations of sanctions could have severe consequences, including sanctions, fines and reputational consequences, which could have a material adverse effect on Younited's (and thus on Younited's) business, financial condition and results of operations.

In addition, Younited cannot predict the nature, scope or effect of future regulatory requirements to which it might be subject or the way existing laws might be administered or interpreted.

Younited is subject to the risk of legal and regulatory proceedings and investigations that may entail significant costs, liabilities and reputational damage.

Younited operate in a highly regulated industry, which is governed by a complex set of laws and regulations, and in various European jurisdictions (including through Younited's branches in Spain, Italy and Portugal), which exposes Younited to the risk of legal and regulatory proceedings and investigations by public authorities, supervisory agencies, judicial courts, arbitration panels or other dispute resolution bodies, as well as to the risk of claims, complaints or litigation by customers, competitors, employees, shareholders or other third parties. Such proceedings and investigations may relate to various aspects of Younited's business, such as consumer protection, anti-money laundering, anti-corruption, data protection, competition, tax, accounting or other matters.

Authorities in other European jurisdictions where Younited operates, including through branches, are competent to supervise Younited's compliance with certain local laws pertaining to the conduct of its business and laws deemed to be protecting the general good and may take enforcement actions against Younited.

Legal and regulatory proceedings and investigations may entail significant costs, liabilities, fines, penalties, injunctions, remediation measures, compensation payments, disgorgement of profit, class actions, settlements or criminal sanctions, which may have a material adverse effect on Younited's financial condition and results of operations. Moreover, legal and regulatory proceedings and investigations may damage Younited's reputation, impair its relationships with customers, partners, regulators and other stakeholders and affect Younited's ability to conduct its business or pursue its strategic objectives.

The ability of Younited's shareholders to bring actions or enforce judgments against Younited or Younited Board may be limited.

Given that Younited S.A. had prior to the Business Combination with the Company operated only as a private enterprise, its internal controls may not be sufficient to meet the requirements imposed on public companies.

Prior to the Business Combination, Younited S.A. operated as a private enterprise. As a result, Younited's internal control systems are, from a public company standpoint, still in the process of being developed, given Younited's new status as a public company, even though it has certain control systems in place in the context of applicable banking and financial services regulations. Consequently, Younited's internal control environment is commensurate to its size and status prior to the Business Combination. Younited is constantly working on improving Younited's internal control system. As a company pre-listing, Younited's internal control environment was subject to limited self-testing and internal audit. Younited's decision-making processes, and internal controls may not be sufficiently developed to prevent errors (including accounting- and tax-related errors), inefficiencies and compliance violations. For example, accounting errors could occur due to revenue or expenses being recorded in wrong periods or otherwise. In any such case, or if Younited otherwise discovers deficiencies in its internal control systems, Younited may be required to undertake corresponding corrections or incur unexpected costs, and trust in Younited's business and operations may be adversely affected. Complying with the various laws and regulations applicable to Younited's business is particularly challenging and this challenge will increase as Younited continues to grow. Consequently, Younited's compliance and risk management systems may not be sufficient to ensure that Younited's employees, third-party contractors, related parties and agents are or will follow all applicable laws and regulations. The criteria for determining compliance are often complex and subject to change and new interpretation, and internationalisation of Younited's business may add further complexity. If Younited fails to comply with applicable laws and regulations, Younited may breach representations made to its collaborators, and regulatory authorities may require Younited to take remedial action. In addition, such violations may be punishable by criminal and civil sanctions, including substantial fines, and harm Younited's reputation.

Tax Risks

Younited is subject to taxation in multiple jurisdictions, and any changes to this tax environment may increase Younited's tax burden. Younited is subject to complex tax laws in each of the jurisdictions in which it operates. Changes in tax laws or regulations could adversely affect Younited's tax position, such as its effective tax rate or tax payments and thus its financial results. The various applicable regulations may also be a source of risk due to their imprecision, difficulties in their interpretation or changes in their interpretation by local tax authorities, which may change unexpectedly and may have a retroactive effect.

Younited could be subject to additional tax risks attributable to previous assessment periods

Younited has obligations to file tax returns and pay tax across several different jurisdictions. Although Younited considers that it complies with all relevant obligations, tax laws and regulations are complex and often require subjective interpretation and determinations. Therefore, there is a risk that it may inadvertently fail to comply with applicable laws and regulations in a jurisdiction in which it does business and/or the tax authorities may not agree with the determinations that are made by Younited with respect to the application of tax law, leading to potentially lengthy and costly disputes and potentially resulting in the payment of substantial amounts for tax, interest and penalties.

Any of these risks could subject Younited to additional or increased tax payments and, in turn, have a material adverse effect on its business, financial condition, results of operations and prospects.

Tax risks related to the Business Combination

It is possible that any transaction structure determined necessary by Younited to complete the Business Combination may have adverse tax consequences for holders of Public Shares and/or Public Warrants, which may differ depending on their individual status and residence.

Investors may suffer adverse tax consequences in connection with acquiring, owning and disposing of the Public Shares and/or Public Warrants.

The tax consequences in connection with acquiring, owning and disposing of the Public Shares and/or Public Warrants may differ from the tax consequences in connection with acquiring, owning and disposing of securities in other entities and may differ depending on an investor's particular circumstances including, without limitation, where investors are tax residents. Such tax consequences could be materially adverse to investors and investors should seek their own tax advice about the tax consequences in connection with acquiring, owning and disposing of the Public Shares and/or Public Warrants including, without limitation, the tax consequences in connection with the redemption of the Public Shares and/or Public Warrants or any liquidation of Younited and whether any payments received in connection with a redemption or any liquidation would be taxable.

Data Privacy and AI Risks

Risks related to the collection, storage and processing of personal data and the violations of the security and confidentiality of Younited's and Younited's information systems.

Younited, collect, store and process confidential and personal data regarding Younited's respective customers and employees and other third parties. This includes a range of customer data such as names, account numbers and personal financial details, including bank transaction data. As a result, Younited is subject to stringent privacy and data protection laws of various European jurisdictions in which it operates, including the General Data Protection Regulation (EU) 2016/679 (the "GDPR"), the French Data Protection Law of 6 January 1978 on Information Technology, Data Files and Liberties, as amended and Luxembourg Data Protection Law of 1 August 2018 on the organization of the National Commission for Data Protection and the implementation of Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation). GDPR imposes substantial fines for non-compliance, which can reach up to €20 million or 4% of Younited's annual global turnover. See Section 13.6 "*Data Protection Laws and Compliance*". Additionally, the French and Luxembourg data protection regulators, respectively, the CNIL (*Commission nationale de l'informatique et des libertés*) and the CNPD (*Commission nationale pour la Protection des Données'*), contribute to certain guidance rules which could affect Younited's and Younited's activities.

Younited's reliance on third-party service providers and their own employees to collect and manage personal data heightens the risk of misappropriation, loss, unauthorised disclosure, damage or processing in violation of applicable laws. Despite Younited's efforts to ensure compliance, the interpretation and application of GDPR may vary across jurisdictions, potentially leading to inconsistent enforcement actions or conflicts with Younited's practices. Moreover, Younited's and their third-party service providers' systems are potential targets for unauthorised access or inadvertent data breaches, which could lead to the compromise or loss of proprietary information and user data. They could be subject to the risk of cyber-attacks, including but not limited to security breaches, phishing, malware and denial-of-service attacks. Human errors, like inadvertent non-compliance with security policies, could also lead to data breaches or system downtime.

Should a data breach occur, Younited would likely incur substantial costs associated with addressing the breach, such as notifying affected parties, engaging with regulators, mitigating the breach's impact and implementing measures to prevent future incidents. Younited could face significant regulatory fines, become the targets of litigation or face other types of claims related to the incident. Furthermore, Younited's insurance coverages may not be adequate to fully protect against the financial repercussions associated with security breaches, cyber-attacks and other data-related incidents. Any such events could have a material adverse effect on Younited's business, results of operations, reputation, financial condition and prospects.

Risks related to the use of AI systems.

Younited may make use of artificial intelligence ("AI") systems as part of its business. As a result, Younited will be subject to the Regulation (EU) 2024/1689 of the European Parliament and of the Council of 13 June 2024 (the "AI Act") laying down harmonised rules on artificial intelligence and amending Regulations (EC) No 300/2008, (EU) No 167/2013, (EU) No 168/2013, (EU) 2018/858, (EU) 2018/1139 and (EU) 2019/2144 and Directives 2014/90/EU, (EU) 2016/797 and (EU) 2020/1828, acting as a deployer of AI systems within the meaning thereof.

The AI Act will apply in principle on 2 August 2026, subject to certain provisions applying as of 2 August 2025, regarding the prohibited AI systems, which Younited does not intend to use.

The AI Act imposes substantial fines for non-compliance, which can reach up to €35 million or 7% of Younited's annual global turnover, whichever is higher.

The development and adoption of AI, including generative AI, and its current or anticipated use by Younited or third parties it depends on, may heighten the risk of disruption to Younited's operations, systems or data, as well as those of the third parties Younited relies on. Additionally, it may introduce new operational risks that Younited has not yet foreseen.

Unintended consequences, uses or customization of AI systems may adversely impact human rights, privacy, employment or other social issues. This could lead to claims, lawsuits, damage to Younited's brand or reputation and heightened regulatory scrutiny, all of which could negatively affect Younited's business, financial condition and operating results.

Despite Younited's efforts to ensure compliance, the interpretation and application of the AI Act may vary across jurisdictions, potentially leading to inconsistent enforcement actions or conflicts with Younited's practices.

SECTION 5 Corporate Governance

5.1 Corporate Governance

As a Luxembourg-governed company that is traded on Euronext Amsterdam and Euronext Paris, Younited is not required to adhere to the Ten Principles of Corporate Governance adopted by the Luxembourg Stock Exchange applicable to Luxembourg law governed companies that are traded on the regulated market of the Luxembourg Stock Exchange nor to the Dutch Corporate Governance Code applicable to companies incorporated in the Netherlands and listed on a regulated market. Younited has not opted to apply the Ten Principles of Corporate Governance or the Dutch Corporate Governance Code on a voluntary basis.

The corporate governance rules of Younited are therefore based on applicable Luxembourg laws, the Articles of Association and its internal regulations, in particular the Board Rules. The Audit Committee and the Risk Committee perform their duties in compliance with applicable laws, in particular Regulation (EU) No. 537/2014 of the European Parliament and the Council of 16 April 2014 on specific requirements regarding the statutory audit of public-interest entities, as amended, and the Audit Law (as defined below).

Younited has established a comprehensive corporate governance framework, which includes a Board of Directors consisting of ten members, five of whom are independent and five of whom are not. This composition ensures adherence to applicable legal requirements while considering diversity in capabilities, qualifications, independence, viewpoints, experience, knowledge, gender, race, and ethnicity.

The company has set up the following committees: (i) Audit Committee, (ii) Risk Committee, (iii) Nomination and Remuneration Committee, and (iv) Disclosure Committee. Additionally, Younited maintains an internal audit function, with the senior internal auditor appointed and dismissed by the Board of Directors upon the Audit Committee's recommendation.

Younited has implemented various governance policies, which can be accessed on its website at www.younited.com/investor-relations These policies include: (i) Audit Committee Terms of Reference, (ii) Nomination and Remuneration Committee Terms of Reference, (iii) Risk Committee Terms of Reference, (iv) Remuneration Policy, (v) Insider Trading Policy, (vi) Disclosure Policy, (vii) Disclosure Committee Terms of Reference, (viii) Board Rules, (ix) Related Party Transactions Policy, and (x) Diversity and Inclusion Policy.

Younited, as a financial holding company, has been exempted from the FHC Approval Requirement by a joint decision from the ACPR and CSSF dated December 2, 2024. Younited ensures compliance with prudential requirements on a consolidated basis across the group, comprising Younited and its subsidiaries, and continuously monitors its governance arrangements, policies, and procedures to ensure alignment with these regulatory obligations.

5.2 Composition of the Board of Directors

Following the Closing, the Board of Directors consists of ten (10) members, including five (5) independent Directors and five (5) non-independent Directors, in compliance with applicable law. The composition of the Board reflects a balance of skills, qualifications, independence, and diversity in terms of experience, perspectives, and background, including race, ethnicity, and gender.

Younited Board is composed of the following members, were appointed at the EGM held on 12 December 2024 for a term expiring at the Annual General Meeting of Shareholders in 2026, which will be convened to approve the 2025 annual accounts. The Chairperson of the board is Elizabeth Critchley.

Name	Date of Birth	Position	Committee
Sergi Herrero Noguera	07/04/1981	Independent Director	Remuneration; Audit
Gilles Grapinet	03/07/1963	Independent Director	Audit
Rodney O’Neal	27/08/1953	Independent Director	N/A
Sally Tennant	27/06/1955	Independent Director	Risk; Disclosure
Ismaël Emelien	09/03/1987	Independent Director	Risk; Disclosure
Eurazeo Global Investor SAS, with Romain Mombert as permanent representative	Romain Mombert: 09/10/1992	Director	Remuneration
Bpifrance Investissement, with Arnaud Caudoux as permanent representative	Arnaud Caudoux: 16/12/1970	Director	Audit
Elizabeth Critchley	08/05/1976	Chairperson	Remuneration
Timothy C. Collins	08/10/1956	Director	Risk; Disclosure
Thomas Isaac	09/01/1963	Director	Audit

The Committee Chairs are:
- Risk Committee: Sally Tennant
- Audit Committee: Gilles Grapinet
- Nomination and Remuneration Committee: Sergi Herrero Noguera
- Disclosure Committee: Sally Tennant.

The Chief Executive Officer (‘CEO’) is Charles Egly, and the Chief Financial Officer (‘CFO’) is Xavier Pierart.

5.2.1 Diversity Policy

Younited is committed to fostering an inclusive, equitable, and diverse workplace where all employees are treated with dignity and respect. The Group actively promotes a work environment free from discrimination, harassment—whether physical or moral—victimization, or any other form of unlawful treatment.

Commitment to a Respectful Workplace

Younited ensures a professional environment where individual differences are recognized and valued. Employees, managers, and directors are trained on their rights and responsibilities under this policy, reinforcing their role in maintaining an inclusive workplace. Any form of bullying, harassment, or discrimination is strictly prohibited, and violations are addressed through the Group’s grievance and disciplinary procedures. Severe breaches may result in dismissal, particularly in cases of gross misconduct.

Equal Opportunities and Professional Growth

The Group is committed to providing equal access to training, development, and career advancement, ensuring that all employees can reach their full potential. Staffing decisions are based on merit, except where legal exemptions apply under the Luxembourg Labour Code or other relevant laws.

Monitoring and Continuous Improvement

To ensure the effectiveness of its diversity and inclusion initiatives, Younited regularly reviews its policies and employment practices. The composition of the workforce is monitored based on factors such as age, gender, sexual orientation, religion, and disability. This policy is assessed annually to align with legal and organizational developments.

Through these commitments, Younited upholds its pledge to promote equality, diversity, and inclusion across all levels of the organization.

5.3 Corporate Governance Practices

Audit Committee

The Company Board will appoint from among its Directors an Audit Committee. The Company Board shall be entitled to appoint observer(s) to the Audit Committee. The Audit Committee will be responsible for all matters set forth in the Luxembourg law of 23 July 2016 on the audit profession, as amended (the “Audit Law”) and will be, among other things, considering matters relating to financial controls and reporting, internal and external audits, the scope and results of audits and the independence and objectivity of auditors. It will monitor and review the Company’s audit function and, with the involvement of its auditor, will focus on compliance with applicable legal and regulatory requirements and accounting standards. The Audit Committee will consist of Gilles Grapinet, Sergi Herrero Noguera, Thomas Isaac and Bpifrance 248 Investissement with Arnaud Caudoux as permanent representative. Gilles Grapinet will chair the Audit Committee. The tasks of the Audit Committee include, among others:

- assisting Board oversight of (i) the integrity of the Company’s financial reporting, (ii) the effectiveness of the Company’s internal quality control and enterprise risk management systems regarding financial reporting of the Company, including reviewing publications and disclosures of all financial results, (iii) the performance of the Company’s statutory audit of the annual and consolidated financial statements, (iv) the independence and selection procedures of the Company’s approved audit firm and (v) approval of audit fees and overall compensation to the auditors;
- developing and overseeing the process for the selection of, as well as being responsible for, the appointment, re-appointment, removal and oversight of the work of the external auditor and any other independent registered public accounting firm engaged by the Company;
- establishing and implementing pre-approval policies and procedures for certain types of non-audit services to be provided by the external auditor and approved audit firm;
- reviewing the content of the annual report and accounts, if requested by the Company Board, and providing advice on the adequacy of the information provided to shareholders as well as the inclusion of Board statements in the annual report;
- reviewing the financing considerations and capital-raising strategy of the Company;
- meeting the external auditor, at least annually without management being present, to discuss the external auditor’s remit and issues arising from the audit; and
- discussing with the external auditor factors that could affect audit quality and review, and approving the annual audit plan.

Risk Committee

The Company Board will appoint from among its Directors a Risk Committee. The Company Board shall be entitled to appoint observer(s) to the Risk Committee. The Risk Committee will be responsible for all matters set forth in the Audit Law and will be, among other things, considering matters involving the Company's overall current and future risk appetite and strategy and assisting the Company Board in overseeing the implementation of the Company's strategy by management, dealing with acute risk situations and monitoring the efficiency of the Company's risk management system. The Risk Committee will consist of Timothy C. Collins, Sally Tennant and Ismaël Emelien. Sally Tennant will chair the Risk Committee. The tasks of the Risk Committee include, among others:

- determining, monitoring and managing the Company's risk profile in relation to the risk appetite and risk bearing capacity;
- reviewing the Company's overall enterprise risk management framework and processes, procedures for detecting fraud and systems and controls for ethical behaviour and the prevention of bribery;
- reviewing and approving related party transactions in accordance with the Related Party Transactions policy;
- establishing and, on an annual basis, reviewing the Company's key compliance policies and core procedures regarding compliance with applicable laws and regulations from time to time, including, but not limited to, the Company's code of ethics, as well as advising the Company Board on the terms and conditions of the delegation of authority with respect to risk policies;
- ensuring through a combination of ongoing and separate evaluations that the components of internal control are present and functioning effectively;
- ensuring that a robust assessment of the emerging and principal risks facing the Company has been undertaken by the Company, whereas any material risk limit breach that places the Company at risk of exceeding its risk appetite and, in particular, of putting at risk the Company's financial condition, triggers a meeting of the Risk Committee discussing all relevant findings, recommendations and action plans and is escalated promptly to the Company Board to provide advice on the management and mitigation of those risks; reporting to the Company Board at least quarterly its observations, recommendations and deliberations on findings regarding compliance, risk management and internal control;
- reviewing the Company's overall enterprise risk management framework and processes, procedures for detecting fraud and systems and controls for ethical behaviour and the prevention of bribery; and
- receiving reports on non-compliance.

Disclosure Committee

The Company Board will appoint a disclosure committee from among its Directors (the "Disclosure Committee"), while the Company Board may decide to appoint such individuals as members or observers to the committee, who do not need to be Directors, but in light of their qualifications, or tasks and position assigned to them within the Group, may contribute to the efforts of the committee. Examples of such individuals include the individual responsible for handling statutory disclosures within the Group or the compliance officer appointed to a subsidiary of the Company. The Disclosure Committee will, among other things, consider matters relating to the disclosure obligations of the Company as further detailed in the disclosure policy (the "Disclosure Policy"). The Disclosure Committee will consist of Xavier Pierart (in its capacity as Disclosure Officer as appointed by the Company Board under the Disclosure Policy), Sally Tennant, Ismaël Emelien, Timothy C. Collins, and Véronique Moussu in her capacity as Compliance Officer of the Company. Sally Tennant will chair the Disclosure Committee. The tasks of the Disclosure Committee will include, among others:

- determining, monitoring and managing the Company's disclosure obligations under the MAR and the Luxembourg Transparency Law to ensure accurate reporting, including by taking corrective measures if necessary;
- monitoring and managing the Company's disclosure practice towards the public as well as any financial market authority (in particular, the Luxembourg Financial Supervisory Authority (Commission de Surveillance du Secteur Financier), the Netherlands Authority for the Financial Markets (Stichting Autoriteit Financiële Markten), and the French Authority for the Financial Markets (Autorité des marchés financiers); • advising on and, on an annual basis, reviewing the Disclosure Policy and core procedures regarding compliance with applicable laws and regulations from time to time;
- assisting the Disclosure Officer in his/her tasks as detailed by the Disclosure Policy;
- ensuring through a combination of ongoing and separate evaluations that the components of internal control are present and functioning effectively, ensuring that a robust assessment of the Company's disclosure obligation has been undertaken, whereas any situation requiring assessment of disclosure obligations, triggers a meeting of the Committee discussing along all relevant findings, recommendations and action plans and, to the extent required, is escalated promptly to the CEO who shall decide on and take required immediate action in accordance with the Disclosure Policy;
- reporting to the Board on a regular basis its observations, recommendations and deliberations on findings regarding disclosure-related matters; and
- working and liaising as necessary with other Board committees and officers of the Company, such as an insider-trading officer, and considering such other matters as may be requested by the Board.

Nomination and Remuneration Committee

The Company Board will appoint from among its Directors a Nomination and Remuneration Committee. The Nomination and Remuneration Committee will, among other things, consider matters relating to (i) the remuneration of certain members of management and the workforce and (ii) the appointment of the Directors and members to the Company Board committees. It will review the composition of the Company Board and recommend candidates for the Company Board and its committees including formulating succession plans, as well as assist with the evaluation of Board performance. The Nomination and Remuneration Committee will consist of Elizabeth Critchley, Sergi Herrero Noguera and Eurazeo Global Investor, with Romain Mombert as permanent representative. Sergi Herrero Noguera will chair the Nomination and Remuneration Committee. The tasks of the Nomination and Remuneration Committee include, among others:

- determining the framework or broad policy for the remuneration of the chair of the Company Board and the CEO and CFO;
- setting and monitoring the level and structure of remuneration (including share incentive awards and related performance targets) for Senior Management and such other individuals as are appointed to senior positions;
- informing the Company Board of its decisions relating to remuneration on a quarterly basis and seeking advance approval of the Company Board on any extraordinary matters of remuneration;
- reviewing workforce remuneration and related policies and the alignment of incentives and rewards with culture;
- reviewing the ongoing appropriateness and relevance of the remuneration policy (the "Remuneration Policy");
- determining the total individual remuneration package of the chair of the Company Board and Senior Management including bonuses, incentive payments, share-based awards, pension and benefits;
- reviewing the proposed budget and objectives set for bonus and long-term incentive awards;
- reviewing annually the performance of the Company and Senior Management;
- establishing the selection criteria, selecting, appointing and setting the terms of reference for any remuneration consultants who advise the Remuneration Committee;
- preparing and submitting to the Company Board an annual remuneration report for submission to the general meeting of shareholders;

- regularly reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Company Board and making recommendations to the Company Board with regard to any changes;
- giving full consideration to succession planning for directors and other senior executives in the course of its work, taking into account the challenges and opportunities facing the Company, and what skills and expertise are therefore needed on the Company Board in the future;
- identifying and nominating for the approval of the Company Board or the general meeting of shareholders, as applicable, candidates to fill Board vacancies as and when they arise;
- before appointment is made by the Company Board or the general meeting of shareholders, as applicable, evaluating the balance of skills, knowledge, experience and diversity on the Company Board, and, in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment;
- reviewing the results of the Company Board's performance evaluation process that relate to the composition of the Company Board;
- reviewing annually the time required of Directors and assessing whether they are spending enough time to fulfil their duties;
- reviewing the leadership needs of the Company, both executive and non-executive, with a view to ensuring the continued ability of the Company to compete effectively in the marketplace; and
- making recommendations to the Company Board concerning:
- plans for succession for both Executive and Directors and in particular for the key roles of the Chairperson and the CEO;
- the membership of Board committees, in consultation with the chairpersons of those committees; and
- the re-appointment of any Director at the conclusion of their specified term of office having given due regard to their performance and ability to continue to contribute to the Company Board in light of the knowledge, skills and experience required.

5.4 Luxembourg Takeover Law Disclosure

In accordance with the Luxembourg law of 19 May 2006 on takeover bids, which transposes Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004, the Company is required to disclose certain information related to takeover bids. This law establishes minimum guidelines for the conduct of takeover bids for securities of companies governed by the laws of an EU or EEA Member State, where all or part of these securities are admitted to trading on a regulated market in one or more Member States.

Notification of Threshold Crossings: Any holder of securities, certificates representing securities, or financial instruments giving an entitlement to vote in the Company must notify the Company and the Commission de Surveillance du Secteur Financier (CSSF) of any acquisition, transfer, or similar operation that causes their holding to reach, exceed, or fall below thresholds. As defined in the Articles of Association, a change of control occurs when an entity acquires the power to direct or cause the direction of the management and policies of the Company, whether through ownership of securities, contractual agreements, or other means. Any such change must be disclosed in accordance with Luxembourg Takeover Law. The Articles of Association specify the governance structure of the Company, including the roles and responsibilities of the Board of Directors. The Board is responsible for ensuring compliance with takeover regulations and maintaining transparency in all operations

Disclosure of Beneficial Ownership and voting rights

the Company is required to disclose securities trading and holding information, including details of beneficial ownership, to the CSSF and/or the issuers in specific circumstances as mandated by Luxembourg law. The Articles of Association outline the capital structure of the Company, including the issuance of different classes of shares (e.g., Class B and Class C shares) and the rights associated with each class. Any significant changes in the capital structure must be disclosed under Luxembourg Takeover Law. Each share entitles the holder to one vote at the general meetings of shareholders. Shareholders can exercise their voting rights in person or by proxy.

Transparency and Reporting Obligations
The Company must comply with transparency principles, ensuring the disclosure of identities of securities holders to supervisory authorities and issuers, in line with the Transparency Law, Squeeze-out Law, and Dematerialization Law.

Whistleblowing and Sanctions
The Company' internal regulations include procedures for whistleblowing and outline possible sanctions for inappropriate behavior in the workplace, ensuring compliance with Luxembourg's legal framework.

These disclosure requirements are designed to promote transparency and protect the interests of shareholders and the market the Company adheres to these regulations to ensure compliance and maintain trust with its stakeholders.

SECTION 6 Directors, Senior Management and Employees

6.1 Directors and Senior Management

The Board of Directors may delegate the day-to-day management of Younited to Senior Management, which includes the CEO and CFO. As of the Closing, Senior Management is composed of:

Name	Date of Birth	Position
Charles Egly	30/07/1979	Chief Executive Officer
Xavier Pierart	16/05/1978	Chief Financial Officer

The business address of Senior Management is 21, rue de Châteaudun, 75009 Paris, France.

6.2 Composition of the Leadership Team

As of 31 December 2024, the Younited Executive Committee comprises a core group of nine individuals and an extended group of eighteen members. The core group consists of senior managers, co-founders, and key executives responsible for overseeing critical functions, including Finance, Risk, Technology, Products, and Business Development. The extended group includes heads of departments such as Compliance, Internal Control, Operations, and the CEOs of key regional markets, including France, Italy, Iberia, and Portugal.

The members of the Younited Executive Committee are as follows:

	Name	Position
CORE GROUP	Charles Egly	CEO and Co-founder
	Geoffroy Guigou	COO and Co-founder
	Xavier Pierart	Deputy CEO and Chief Financial Officer
	Naren Ramachandran	Chief Business Development Officer
	Romain Mazoué	Chief Risk and Data Officer
	Stéphane Alizon	Chief Technology Officer
	François de Bodinat	Chief Product Officer

	Pierre-Marin Campenon	CEO Europe
	Tommaso Gamaleri	Executive Vice President, Strategic Partnerships
EXTENDED GROUP	Joachim Edery	Head of CPM & Data Analytics
	Vigdis Flaten	Chief People Officer
	Sylvain Lacaze	COO Finance and Head of Debt Capital Markets
	Véronique Moussu	Head of Compliance and Internal Control
	Bilal Taleb	Head of Credit Risk
	Frédéric Chaignon	Operational Performance
	Rémi Perry	CEO France
	Stefano Piscitelli	CEO Italy
	Xavier Pallas	CEO Iberia
	Annie Criscenti	MD Portugal

6.3 Compensation

6.3.1 Remuneration Policy

Younited's Remuneration Policy is designed to attract, retain, and motivate highly qualified individuals while ensuring internal consistency, fairness, and transparency. The policy aligns compensation with the company's long-term strategy and sustainable results, while minimizing conflicts of interest and risky behavior. It aims to provide a balanced and competitive remuneration framework, fostering a performance-driven culture that supports both short-term and long-term objectives.

The policy ensures that Younited can offer attractive compensation packages to key roles, including the CEO, CFO, Directors, and Identified Staff, incentivizing them to contribute to the company's long-term success. It is structured to align the interests of the employees with the company's business strategy, focusing on sustainable growth and value creation. The policy also emphasizes fairness in decision-making, with a transparent process involving the Nomination and Remuneration Committee and the Board of Directors to ensure compliance with applicable regulations.

Pursuant to the Remuneration Policy, the compensation of the CEO and CFO may consist of:

- base salary or base service fee;
- annual bonus; and
- equity incentive awards.

Each of these components are further described below.

Base salary or base service fee

The purpose of the base salary or base service fee is to ensure that Younited is able to attract and retain a talented CEO and CFO to deliver the strategy of the business. The base salary or base service fee is set taking into account the individual's skills, experience and their performance and salary levels at other companies of a similar size and complexity, including those in the fintech space.

Annual bonus - Equity Incentive Awards

The CEO and CFO will be eligible to receive an annual bonus subject to the achievement of certain predetermined financial, strategic and operational performance measures. The main purpose of the annual bonus will be to incentivize and reward the CEO and CFO for the delivery of Younited's strategy and objectives over the financial year.

The CEO and CFO would generally be eligible to participate in any equity incentive program maintained by Younited from time to time. The main purpose of equity incentive awards will be to retain and incentivize key employees, as well as align their long-time interests with those of Younited's shareholders.

The CEO and CFO's variable remuneration, including their annual bonus and Equity Incentive Awards, will comply with applicable legal requirements relating to the remuneration of individuals whose professional activities have a material impact on a credit institution's risk profile as well as the Group remuneration policy (which provides for, inter alia, a cap on the total variable component of the remuneration expressed as a percentage of the total fixed component of the remuneration).

6.4 Employees

6.4.1 Policies Related to Working Conditions

Internal Regulations

Younited's internal regulations aim to organize life within Younited by setting essential rules regarding hygiene, safety, health, discipline, and respect for employee rights. These regulations apply to all staff, including temporary workers, contractors, and interns, covering aspects such as conflicts of interest, disciplinary procedures, and rules related to abuse of authority. The regulations are provided to each employee and displayed in Younited's premises to ensure dissemination and application. They are developed under the direction's responsibility but are subject to review by employee representatives (CSE) and labor inspection, in accordance with legal requirements. Any modification of the regulations is also validated by the direction in consultation with employee representative bodies.

Safe and Secure Workplace

Younited guarantees a healthy and safe work environment, compliant with health and safety regulations, with policies to manage emergency situations. Although Younited does not have a policy or system for preventing workplace accidents due to the nature of its activities, it is particularly attentive to psychosocial risks and the mental health of employees. A dedicated question on work-life balance is included in the bi-annual evaluation form and monitored by managers. If an alert is raised by an employee, they are received by their manager and the HR team to identify and address the issue. Additionally, the topic is monitored annually at a collective level within the annual satisfaction survey.

6.4.2 Policies Related to Diversity and Inclusion

Diversity and Inclusion Policy

This policy aims to promote equality, diversity, and inclusion within the workforce and eliminate illegal discrimination based on race, ethnicity, color, gender, sexual orientation, gender identity, disability, age, religion, political opinions, national and social origins, or any other form of discrimination identified in national or European regulations. Younited recognizes the benefits of diversity within its Supervisory Board and executive teams. The group uses the Kokoroe platform to raise awareness among employees on CSR and Diversity & Inclusion topics through online modules covering essential subjects like stereotypes, sexism, inclusive language, and disability.

Disability Agreement (2024-2026)

Younited has signed a three-year disability agreement in France, valid from 2024 to 2026, demonstrating its commitment to integrating people with disabilities. This agreement aims to actively combat discrimination, support job retention, and strengthen partnerships with protected and adapted sector companies, as well as independent workers with disabilities.

Recruitment Policy

The recruitment process is designed to showcase Younited, encouraging diversity and equal opportunities. The entire recruitment journey ensures candidates feel valued and respected, creating a positive experience from the first contact. Clear processes are defined to minimize bias during recruitment through manager training and formalized interview dashboards.

Parental Guide

Younited's parental guide in France reflects its commitment to creating an inclusive and supportive work environment for employees during their parenting journey. It guarantees access to support measures, such as salary maintenance and subrogation, without seniority conditions, and clearly informs employees of their rights. Personalized arrangements are managed confidentially by HRBP before, during, and after parental leave, including a week of part-time adaptation for a gradual return. Younited also facilitates administrative procedures related to maternity, second parent, and adoption leave, and remunerates absences for mandatory appointments in case of adoption. Inclusive schedules, specific leave for miscarriage or sick child, and telework arrangements before and after parenting support employees. Managers are equipped and trained to better support these situations and prevent discrimination.

Discrimination Process

Younited's code of conduct describes the whistleblowing procedure for reporting alerts by employees. The internal regulations mention possible sanctions for inappropriate behavior in the workplace. Younited has appointed a harassment referent within the HR teams and the CSE within the elected team.

Additional Policies

Younited has implemented several measures to uphold ethical labor practices and protect employee rights. These policies align with international labor standards and reinforce Younited’s commitment to a fair, inclusive, and responsible work environment.

- Freedom of Association and Collective Bargaining: Younited respects the right of employees to join a union and negotiate collectively, with a non-discrimination policy to protect union rights.
- Prevention of Trafficking and Forced Labor: Younited ensures compliance with regulations prohibiting the employment of workers under 16 and forbids any form of forced labor, respecting laws on working hours and wages.
- Elimination of Discrimination and Pay Inequalities: Younited combats discrimination and bases recruitment and compensation decisions on skills, taking actions to eliminate gender pay inequalities.
- Privacy Protection: Younited respects employee privacy and protects personal data in accordance with legislation, with security measures to ensure confidentiality.

Younited follows the UN and ILO guiding principles to ensure respect for human rights in business and is a member of the UN Global Compact.

SECTION 7 Internal Control Framework

Younited's Internal Control framework is fully compliant with applicable legal and regulatory requirements, including the Code Monétaire et Financier and the Order of 3 November 2014, as amended in 2021. This Order establishes the internal control principles for credit institutions, financing companies, and investment firms, with a specific focus on risk assessment and management. Younited's Supervisory body ensures that the internal control functions adhere to key principles of independence, impartiality, and the provision of adequate resources.

7.1 Core Principles of the Internal Control System

Younited's internal control framework is aligned with the Group's Code of Conduct and is designed to comply with applicable laws and regulations. It is based on several key principles: individual accountability, where employees and managers are fully aware of their responsibilities and ensure effective application; separation of duties, ensuring that key tasks are distributed among different individuals to manage risk; proportionality, where control levels are aligned with the risks involved, considering factors such as severity, capital, regulations, and complexity; traceability, with controls and outcomes documented and trackable; transparency, ensuring open communication of key issues and the availability of whistleblowing channels for concerns; and ongoing adaptation, with continuous monitoring and adjustment of the internal control system.

7.2 Objectives and Scope

Younited Group's internal control system is designed to effectively manage risks and support the achievement of Younited's objectives. Its primary missions include ensuring prudent risk management in alignment with Younited's values and Code of Conduct; maintaining operational security and preventing malfunctions through comprehensive risk assessment and mitigation; guaranteeing the accuracy and reliability of management and financial information; and ensuring compliance with applicable laws, regulations, and internal policies. The framework addresses all types of risks (e.g., credit, market, liquidity, operational, compliance) and is implemented at both the Group level and across branches in Italy, Spain, and Portugal, taking into account local specifics.

Additionally, it oversees outsourced services and third-party risks in accordance with regulatory requirements.

7.3 Organisation

Younited's internal control framework follows the "three lines of defense" model, ensuring effective risk management and regulatory compliance:

- First Line of Defense (1LoD): Operational functions managing risk exposure, including identifying, assessing, and mitigating risks within their scope.
- Second Line of Defense (2LoD): Risk and internal control functions overseeing financial and non-financial reporting, ensuring compliance, and promoting a risk-aware culture.
- Third Line of Defense (3LoD): Independent periodic control function, outsourced to PwC, evaluating the effectiveness of the 1LoD and 2LoD, reporting semi-annually to the Supervisory Board.

The Supervisory Board monitors the internal control framework, ensuring compliance and effectiveness, while the Executive Board implements the strategy and ensures proper authority and resources for compliance. The RCCI (Head of Compliance and Internal Control) oversees the framework at Group and local levels, reporting to the CEO and Chief Risk Officer, and ensures policies and resources are adequate for compliance.

7.4 Permanent Control System

The Group's permanent control system operates at two levels. The First-Level Controls (1LoD) are integrated into operational activities and performed by frontline employees and managers to prevent or mitigate risks. These controls include automated checks, organizational safeguards, and managerial oversight, ensuring compliance with procedures and effective risk management. Second-Level Controls (2LoD) are independently managed by the Risk, Internal Control & Compliance, and Finance & Strategy functions. These controls review and assess the effectiveness of 1LoD, evaluate risks, and propose improvements. Additionally, they provide independent monitoring, conduct thematic reviews, and escalate significant findings to senior management and regulatory authorities.

By strengthening Level 1 controls and maintaining an independent oversight structure, Level 2 controls enhance the Group's proactive and effective risk management framework.

7.5 Periodic Control System

The Third Line of Defense (3LoD), represented by Internal Audit and outsourced to PwC, ensures independence and objectivity. It assesses the effectiveness of the risk management framework, internal controls, and governance processes. Key responsibilities include evaluating Level 1 and Level 2 controls, identifying weaknesses and recommending improvements, ensuring compliance with regulations and policies, conducting risk-based audits on critical areas, and providing assurance on the adequacy of the internal control system.

Internal Audit operates with a risk-based approach, offering an independent perspective to strengthen the organization's risk management.

7.6 Compliance

Younited's Compliance function, part of the second line of defense, operates centrally and locally to ensure risk oversight and regulatory adherence. The function covers areas such as Anti-Money Laundering, Customer Protection, Anti-Bribery, and Ethics. Central Compliance defines policies, monitors regulatory changes, assesses compliance risks for new products, and oversees European branches, reporting to the Group RCCI. Local Compliance: Reports to the local branch manager with a functional link to the RCCI. Ensures implementation of Group standards, adapting to local regulations, with stricter standards prevailing in case of differences.

This structure ensures compliance across the organization while supporting strategy and managing emerging risks.

7.7 Governance Framework and Risk Culture at Younited

Younited's governance is built on policies and procedures that define roles and responsibilities, supported by Compliance and Enterprise Risk Management (ERM). These policies promote a strong risk culture, including the Code of Conduct, which sets ethical and customer service standards, and the GDPR Policy ensuring compliance with data protection laws. The Customer Protection Policy focuses on managing risks to customer interests, while the Remuneration Policy ensures equal pay opportunities. Additional policies, such as the Conflict-of-Interest Management Procedure, Gifts and Invitations Procedure, and Whistleblowing Procedure, reinforce the risk culture by managing conflicts, professional conduct, and transparency. Other procedures, like the Fraudulent Sites and Profiles Reporting and Operational Risk Management, address fraud prevention and operational incident management, further strengthening Younited's governance framework.

Credit Risk Management Framework

The Group's Board of Directors risk committee oversees the credit risk management framework and provides recommendations to the Younited Board of Directors. Further, The Group has also constituted the credit risk management committee of executives. It ensures implementation of its credit risk appetite statement, as approved by the Younited Board of Directors and recommends changes thereto, considering any changes in the regulatory instructions, business or economic conditions. It also monitors The Group's loan portfolio risk profile monthly, identifies problem areas and instructs business units with directions to ensure that the risk appetite target will be met.

The risk team implements policies and processes for credit risk identification, assessment, measurement, monitoring and control. Credit risk parameters, credit exposure, and concentration limits are approved by the Younited Supervisory Board, based on regulatory guidelines and internal data. The risk team develops and maintains credit risk identification systems, monitors its loan portfolio risk profile, undertakes asset quality reviews, and submits its analysis and reports to the Younited Risk Committee on an ongoing basis. Younited's risk team endeavors to capture early warning signals in its loan portfolio for identification of weak exposures, suggests remedial measures and monitors the actions taken. Younited has adopted a robust risk management framework to ensure that delinquencies in its loan portfolio are kept at a minimum.

Market Risk Management Framework

The Younited Executive Board is responsible for the overall risk management of Younited. The Younited Risk Committee reviews and assesses the exposure of Younited to various market risks and outlines various policies. The market risk to which the book is exposed is monitored and all transactions undertaken are in accordance with prudent business practices and are compliant with internal guidelines.

The Group's market risk exposure is mainly related to the interest rate risk discussed in Section 8.3 "Interest rate risk on the banking book".

Liquidity Risk Management Framework

The Group uses various tools to manage its liquidity position. These include the Structured Liquidity Statement, which projects the inflows and outflows of assets and liabilities in various time buckets, assesses the behavioral patterns of assets and liabilities, and adheres to cashflow mismatch limits to maintain adequate liquidity across all maturity buckets. The Liquidity Coverage Ratio, as required by regulations, manages the next 30-day bucket of stress net cash outflows to cover any potential sudden shocks to the liquidity position. The Contingent Funding Plan ensures ongoing access to already committed or quickly available liquidity facilities from various sources, such as other banks and financial institutions. Lastly, the Dynamic Liquidity Statement anticipates and covers future funding requirements arising from existing and future loans on the balance sheet, as well as projected changes in investing assets based on expected refinancing and distribution plans.

Operational Risk Management Framework

The Group Risk Committee mitigates operational risk by creating and maintenance of an explicit operational risk management process. It conducts detailed reviews of all operational risk exposures and focuses on all operational risk issues.

The Group Risk Committee reviews the risk profile to consider future changes and threats and concurs with areas of high priority and related mitigation strategies with different departments and business units. The committee ensures, among other matters, (a) identification and management of operational risk; (b) evaluation and prioritization of risk by implementation of operational risk strategy; and (c) monitoring and review of operational risk effectiveness.

SECTION 8 Major Shareholders

As of December 31, 2024, and since the Company has been re-domiciliated in Luxembourg there was no share repurchase by the Company.

The following table sets forth the major direct and indirect shareholders of Younited based on Younited's share register regarding holders of Public Shares resulting from the conversion of Sponsor Shares and to Younited's best knowledge, regarding Company's holders of shares following the Closing.

The issuance or transfer of Warrants to purchase Public Shares that remain outstanding immediately following the Closing is accounted for under the fully diluted calculations.

Shareholder Ownership in Younited[1]				
Major Shareholders	**Number of Shares**	**Percentage of Outstanding Shares (%)**	**Fully diluted Shares**	**Fully diluted Percentage of Outstanding Shares (%)**
Ripplewood Holdings I LLC[2]	11,660,793[3]	23.76	20,660,793	30.95
SRP Management LLC[4]	4,695,800	9.57	5,529,133	8.28
Eurazeo[5]	12,168,382	24.79	12,168,382	18.23
Bpifrance	6,384,678	13.01	6,384,678	9.57
Rhea Holding SAS[6]	4,090,401	8.33	4,090,401	6.13
Goldman Sachs[7]	4,113,092	8.38	4,113,092	6.16
Other Holders[8]	5,973,697	12.17	13,803,586	20.68
Total	**49,086,843**	**100.00**	**66,750,065**	**100.00**

(1) Reflects the exercise of 7,666,660 Public Warrants and 9,000,000 Sponsor Warrants, assuming cash exercise only, the issuance of 987,315 Public Shares under the terms of the Management Earnout and the issuance of 8,061 Public Shares and 1,186 Company Class B Shares pursuant to the Drag Along.
(2) Timothy C. Collins is an executive director of and beneficially owns approximately 58.40% of the Sponsor, Timothy C. Collins 2003 Descendants' Trust (the trustees are Timothy C. Collins' wife and son) beneficially owns approximately 32.82% of the Sponsor and Timothy C. Collins 1999 Trust (the trustees are Timothy C. Collins' wife and son) beneficially owns approximately 8.78% of the Sponsor, which is a majority shareholder of Younited.
(3) This number represents the total number of shares before the transfer of the aggregate 120,000 Public Shares to the non-executive Iris Directors and the Advisers.
(4) This entity is ultimately controlled by Robert Prince and Sharon Prince.
(5) Includes the percentage of outstanding shares of: Eurazeo Growth Fund III SLP (9.41%, fully diluted percentage: 6.92%); FCPR Idinvest Entrepreneurs Club (8.28%, fully diluted percentage: 6.09%); Legendre Holding 34 (4.33%, fully diluted percentage: 3.18%); Eurazeo Growth Secondary Fund SCSp (1.87%, fully diluted percentage: 1.38%) and Aries Eurazeo Fund (0.90%, fully diluted percentage: 0.66%).
(6) This entity is ultimately controlled by BE VI Nominees Limited.
(7) Includes the percentage of outstanding shares of: WSGG Holding S.a rl (7.55%, fully diluted percentage: 5.55%); West Street Private Markets 2021, LP (0.42%, fully diluted percentage: 0.31%); GLQ International Partners LP (0.14%, fully diluted percentage: 0.10%), WSGGP Emp Onshore Investments, LP (0.19%, fully diluted percentage: 0.14%) and WSGGP Emp Offshore Investments, LP (0.08%, fully diluted percentage: 0.06%).
(8) All persons not having major holdings within the meaning of Article 8 or Article 9 of the Luxembourg Transparency Law.
(9) Except for the major shareholders mentioned above, there are no other persons that, on the basis set out above, have major holdings within the meaning of Article 8 or Article 9 of the Luxembourg Transparency Law.

SECTION 9 Responsibility Statement

We confirm to the best of our knowledge that:

1. The consolidated financial statements of Younited Financial S.A. presented in this Management Report and established in conformity with International Financial Reporting Standards as adopted by the European Union give a true and fair view of the assets, liabilities, financial position and results of Younited Financial S.A. and the undertakings included within the consolidation taken as a whole; and

3. The management report presented includes a fair review of the development and performance of the business and position of Younited Financial S.A. and the undertakings included within the consolidation taken as a whole, together with a description of the principal risks and uncertainties they face.

Chief Executive Officer

Mr. Charles Egly

April 03, 2025

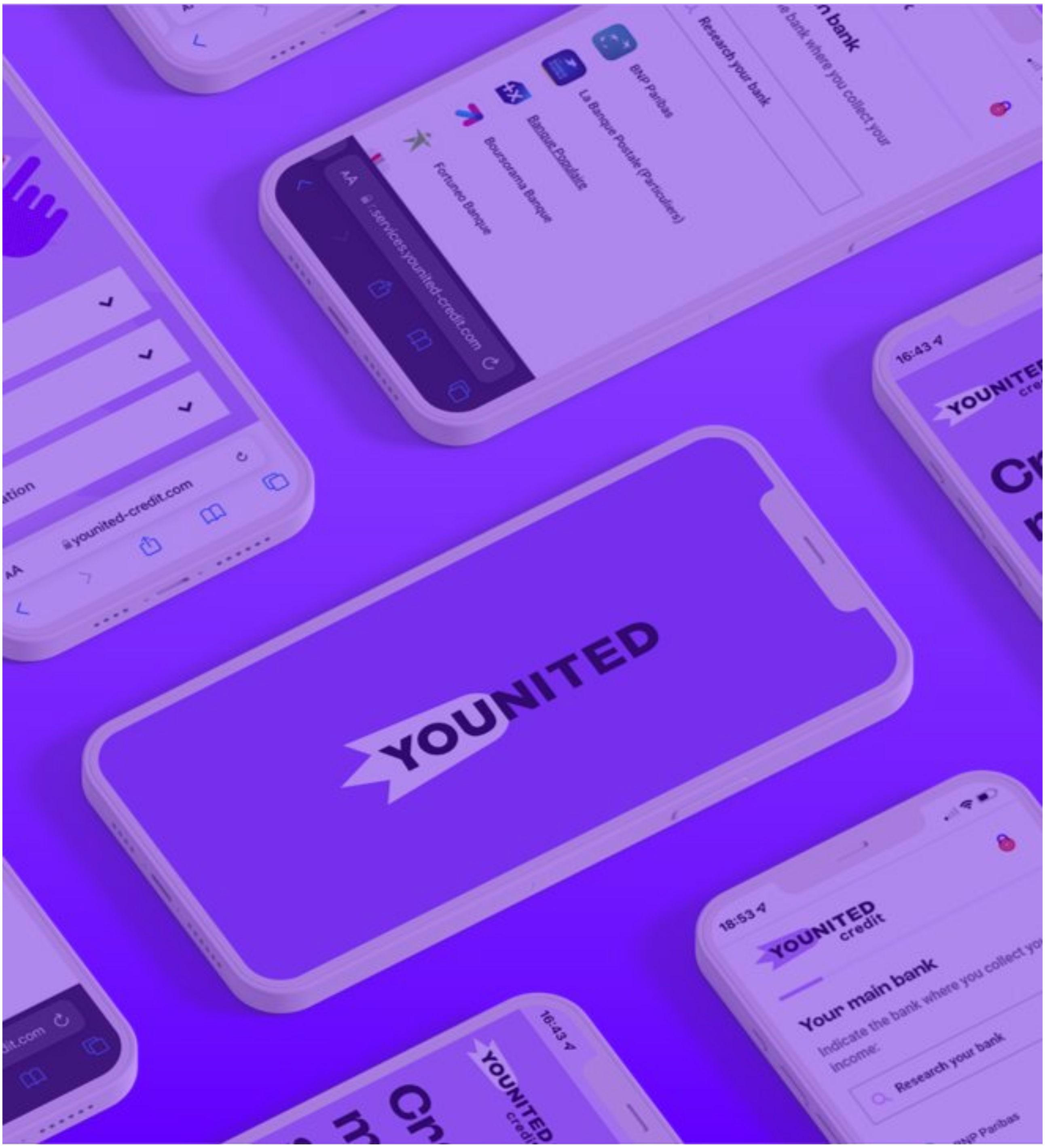
Chief Financial Officer

Mr. Xavier Pierart

April 03, 2025

SECTION 10 Financial Statements 2024

10.1 Consolidated Financial Statements as of and for the year ended December 31, 2024



YOUNITED FINANCIAL S.A.

Consolidated Financial Statements

December 31, 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As of December 31,	
(in € thousands)	*Note*	2024	2023
Assets			
Cash, due from central banks	*14*	193,433	236,756
Financial assets at FVTPL	*14*	86,837	135,403
Loans and advances to financial institutions	*14*	83,413	73,525
Loans and advances to customers at FVOCI	*14*	458,150	477,287
Loans and advances to customers at amortised cost	*14*	274,888	339,347
Property and equipment	*15*	11,740	14,568
Intangible assets	*16*	34,117	36,552
Other assets	*14*	81,870	85,537
TOTAL ASSETS		**1,224,448**	**1,398,973**
Liabilities			
Financial liabilities at FVTPL	*14*	12,181	-
Loans and deposits from financial institutions	*14*	60,611	60,033
Deposits from deposit holders	*14*	832,722	1,126,252
Other liabilities	*14*	79,846	68,840
Provisions	*20*	615	466
TOTAL LIABILITIES		**985,975**	**1,255,591**
Equity			
Share capital	*17*	691	273
Share premium	*17*	340,376	181,260
Other equity instruments		-	289
Reserves and retained earnings	*17*	(27,483)	(10,080)
Loss for the period		(83,439)	(49,679)
Other comprehensive income		8,329	21,320
TOTAL EQUITY		**238,474**	**143,383**
TOTAL LIABILITIES AND EQUITY		**1,224,448**	**1,398,973**

CONSOLIDATED STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

		Twelve-month period ended December 31,	
(in € thousands)	*Note*	**2024**	**2023**
Interest income calculated using the effective interest method	*7*	73,813	83,481
Interest expense	*7*	(30,437)	(22,092)
Net interest income		**43,375**	**61,389**
Net gains and losses from financial instruments at FVTPL	*8*	2,835	2,799
Net gains and losses from financial instruments at FVOCI	*14*	2,898	(5,318)
Income from other activities	*9*	45,563	42,886
Revenue		**94,671**	**101,755**
Personnel expense	*10*	(37,851)	(36,667)
Other operating expenses	*11*	(66,020)	(34,397)
Depreciation and amortisation expenses	*15,16*	(27,270)	(21,682)
Impairment losses on financial instruments	*4*	(46,502)	(57,890)
Loss before tax		**(82,973)**	**(48,881)**
Income tax expense	*13*	(466)	(799)
Loss for the year		**(83,439)**	**(49,679)**
Earnings per share			
Basic earnings per share (€)		(3.34)	(2.14)
Diluted earnings per share (€)		(3.34)	*(2.14)*

Loss for the year		**(83,439)**	**(49,679)**
Other comprehensive income			
Items that may be reclassified to profit or loss			
Revaluation of debt instruments at FVOCI:			
Revaluation differences of the period	*14*	*11,179*	*16,024*
Reclassified into income	*14*	*(2,898)*	*5,318*
Total items that may be reclassified to profit or loss		**8,281**	**21,342**
Items that will not be reclassified to profit or loss			
Actuarial gains and losses on defined benefit plans	*10*	48	(22)
Total items that will not be reclassified to profit or loss		**48**	**(22)**
Total other comprehensive (loss)/ income for the year		**8,329**	**21,320**
Total comprehensive (loss)/ income for the year		**(75,110)**	**(28,359)**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

(in € thousands)	Note	Share capital	Share premium	Other equity instruments	Loss for the year	Reserves and retained earnings	Total equity
Balance at January 1, 2023		**262**	**174,418**	**289**	**(78,918)**	**44,533**	**140,584**
Loss for the year		-	-	-	(49,679)	-	(49,679)
Allocation of net result of 2022		-	-	-	78,918	(78,918)	-
Increase in capital	17	10	6,842	-	-	-	6,852
Equity-settled share-based payment	12	-	-	-	-	2,882	2,882
Remeasurement of defined benefit liability	10	-	-	-	-	(22)	(22)
Change in other comprehensive income		-	-	-	-	21,342	21,342
Other movements		-	(211)	-	-	(52)	(263)
Capital reorganization	17	-	211	-	-	21,475	21,686
Balance at December 31, 2023		**273**	**181,260**	**289**	**(49,679)**	**11,240**	**143,383**
Loss for the year		-	-	-	(83,439)	-	(83,439)
Allocation of net result of 2023		-	-	-	49,679	(49,679)	-
Increase in capital	17	418	159,116	-	-	-	159,534
Capital reorganization	17	-	-	-	-	(19,534)	(19,534)
Equity-settled share-based payment	12	-	-	-	-	30,940	30,940
Remeasurement of defined benefit liability	10	-	-	-	-	48	48
Change in other comprehensive income		-	-	-	-	8,281	8,281
Other movements		-	-	(289)	-	-	(289)
Balance at December 31, 2024		**691**	**340,376**	**-**	**(83,439)**	**(19,154)**	**238,474**

CONSOLIDATED STATEMENT OF CASH FLOWS

(in € thousands)	*Note*	Twelve-month period ended December 31, 2024	2023
Cash flows from operating activities			
Loss for the year		**(83,439)**	**(49,679)**
Adjustments for:			
Net depreciation and amortisation	*15,16*	27,270	21,683
Net impairment loss on loans and investment securities	*4*	46,502	57,890
Net interest income	*7*	(43,375)	(61,389)
Net gain (loss) on loans and investment securities at FV	*8*	(5,733)	2,567
Equity-settled share-based payment transactions	*12*	31,706	2,882
Other income and expense	*11*	918	673
Net change in loans and advances to financial institutions and customers	*14*	48,199	33,578
Net change in loans and deposits from financial institutions and investors	*14*	(292,952)	169,328
Other assets, liabilities and provisions	*14,20*	(4,063)	12,390
Net interest received (paid)	*7*	51,520	53,755
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES		**(223,447)**	**243,680**
Cash flows from investing activities			
Net change in investment securities	*14*	48,601	(71,169)
Investment in property and equipment, and intangible assets	*15,16*	(21,362)	(25,165)
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES		**27,238**	**(96,334)**
Cash flows from financing activities			
Proceeds from increase in capital[(2)]	*3,17*	166,510	28,538
Repayment of lease liabilities	*14*	(3,737)	(3,506)
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES		**162,773**	**25,032**
Net increase (decrease) in cash, due from central banks		**(33,435)**	**172,378**
CASH AND CASH EQUIVALENTS AT OPENING[(1)]		**310,281**	**137,903**
CASH AND CASH EQUIVALENTS AT CLOSING[(1)]		**276,846**	**310,281**

(1) Cash and Cash equivalent comprises balances of (i) Cash, due from central banks and (ii) Loans and advances to financial institutions – which consists solely of on-demand deposit.

(2) Include mainly €152.3 million resulting from the transaction with the SPAC (cf. Note 3 & Note 17) and €26.1 million resulting from the increase in capital completed April 24, 2024 (cf. Note 17) net of €9.7 million of directly attributable transaction costs.

Note 1 Basis of accounting

1.1 Group presenting the consolidated financial statements

Younited Financial S.A. (formerly known as RA Special acquisition Corporation and then Iris Financial), (the Company) is a public limited liability company (société anonyme) existing under the laws of the Grand Duchy of Luxembourg ("Luxembourg"). The Company was transferred December 12, 2024 from the Cayman Islands to Luxembourg without disruption of its legal personality. It has its current registered office at 17, Boulevard Friedrich Wilhelm Raiffeisen, L2411 Luxembourg and registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés de Luxembourg) under number B292237.

The consolidated financial statements as at December 31, 2024, comprise the Company which is the legal parent of the group and its legal subsidiary (together referred to as the 'Group' or 'Younited') and consist of the first set of consolidated financial statements prepared. These consolidated financial statements have been approved and authorized for issue by the Board of Directors April 3, 2025.

Younited is one of the leading instant credit provider in Europe. Constant innovation, cuţting-edge technology and exceptional user experience have allowed over one million customers to have access to instant, simple and transparent credit to refurbish their homes, go on vacation, buy a new smartphone, or bring any other project to life. Younited provides instant credit throughout the customer journey, shopping, or banking, online or in-store, with a single Younited customer experience. Younited operates in 4 European countries (France, Italy, Spain and Portugal).

1.2 Basis of preparation

These consolidated financial statements have been prepared for the year ended December 31, 2024 in accordance with International Financial Reporting Standards ("IFRS Accounting Standards") endorsed by the European Union as at December 31, 2024. The financial statements have been prepared on a going concern basis. All amounts have been rounded to the nearest thousand, unless otherwise indicated. Due to rounding, in some cases the individual figures presented may not add up precisely to the totals provided.

1.3 Current standards and interpretations

1.3.1 *New mandatory standards and interpretations applicable as of January 1, 2024*

The following amendments to IFRS Accounting Standards, applicable for the 2024 financial year, had no impact on the Group's consolidated financial statements as at December 31, 2024:

- Amendments to IFRS 16 'Leases'*: Lease liability arising from a sale and leaseback*, applicable to financial years beginning on or after January 1, 2024;
- Amendments to IAS 1 'Presentation of financial statements': *Non-current Liabilities with Covenants* and *Classification of Liabilities as Current and Non-current* , applicable to financial years beginning on or after January 1, 2024;
- Amendments to IAS 7 'Statement of cash flows' and IFRS 7 'Financial instruments disclosures': *Disclosure of the effects of "reverse factoring agreements*", applicable to financial years beginning on or after January 1, 2024.

1.3.2 *Accounting standards issued but not yet effective*

The Group has not opted for early application of the following amendment, for which the mandatory application date is after December 31, 2024:

- Amendments to IAS 21 - The Effects of Changes in Foreign Exchange Rates, applicable to financial years beginning on or after January 1, 2025.
- Amendments to IFRS 9 and IFRS 7: Classification and Measurement of Financial Instruments applicable to financial years beginning on or after January 1, 2026.

- IFRS 18 'Presentation and Disclosure in Financial Statements' applicable to financial years beginning on or after January 1, 2027
- IFRS 19 'Subsidiaries without Public Accountability Disclosures' applicable to financial years beginning on or after January 1, 2027.

The analysis of the consequences for the Group of the first application of this amendment is in progress. However, it should not have a material effect on the Group's financial situation and performances.

1.4 Foreign currency translation

1.4.1 *Functional and presentation currency*

These financial statements are presented in euro, which is the Group's functional currency. All amounts have been rounded to the nearest thousand, unless otherwise indicated.

1.4.2 *Foreign currency transactions and balances*

Transactions in foreign currencies are translated into the respective functional currencies of Group companies at the exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the exchange rate when the fair value was determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Foreign currency differences are generally recognized in profit or loss and presented within other operating expenses.

However, foreign currency differences arising from the translation of investment in equity securities designated as at FVOCI are recognized in OCI.

1.5 Use of judgements and estimates

In preparing these financial statements, management has made judgements and estimates that affect the application of the Group's accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to estimates are recognized prospectively.

1.5.1 *Estimation-related judgements and assumptions*

Information about judgements and assumptions made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the following notes:

- Determination of whether credit risk on financial assets has increased significantly – Note 4
- Measurement of recoverable cashflows used to measure Expected Credit Losses 'ECL' on financial instruments – Note 4
- Fair Value Measurement of financial instruments with significant unobservable inputs – Note 6
- Measurement of the insurance brokerage revenue – Note 9.
- Initial classification of financial instruments – Note 14
- Assessment of the control over special purpose vehicle used for securitisation of loans – Note 19
- Assessment of the control over the combined Group formed by Iris Financial and Younited to determine whether it qualifies as a reverse acquisition – Note 3
- Measurement of the listing expense incurred by Younited according to IFRS 2 – Note 3

Note 2 Key events of the financial year ended December 31, 2024

2.1 Significant events during the financial year presented

2.1.1 *Transaction with Iris Financial*

On October 7, 2024, Younited S.A. ("Younited") and the Special Purpose Acquisition Company (SPAC) Iris Financial, listed on Euronext Amsterdam, entered into a transaction agreement. Under this agreement, Younited's shareholders agreed to contribute all of their Younited shares to the Company in exchange for newly issued shares of the Company. The transaction was completed on December 20, 2024 resulting in a capital increase of €152.5 million.

Considering the accounting treatment of the transaction (detailed in Note 3), the opening equity of the Group has been adjusted retrospectively to reflect the share capital and share premium of the Company. A Reconciliation between figures as at January 1, 2023 as published in the financial statements for year ended December 31, 2023 and adjusted equity as at January 1, 2023 included in the Consolidated statement of change in equity is provided in the table below:

(in € thousands)	Share capital	Share premium	Other equity instruments	Loss for the period	Reserves and retained earnings	Total equity
Balance at January 1, 2023 - published Financial statements	**1,861**	**351,790**	**289**	**(78,918)**	**(134,437)**	**140,584**
Capital reorganisation	(1,599)	(177,372)	-	-	178,971	-
Balance at January 1, 2023	**262**	**174,418**	**289**	**(78,918)**	**44,533**	**140,584**

2.1.2 *Transfer of the registered office of the Company from the Cayman Islands to Luxembourg*

The shareholder meeting of the Company held December 12, 2024 approved the transfer of the Company registered office from the Cayman Islands to the Grand Duchy of Luxembourg.

2.2 Subsequent events

Following the successful completion of the business combination with Younited S.A. on December 20, 2024, Younited Financial S.A. has been listed on the regulated market of Euronext Paris, in addition to its existing listing on Euronext Amsterdam, on January 20, 2025.

Note 3 Scope of consolidation

The consolidated financial statements include the financial statements of the parent company and all entities over which the Group exercises control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Subsidiary is fully consolidated from the date on which control is transferred to the Group and is deconsolidated from the date that control ceases.

The financial statements of subsidiary is prepared for the same reporting period as the parent company, using consistent accounting policies. All intra-group transactions, balances, income and expenses are eliminated in full on consolidation.

The legal parent of the Group is the company whereas Younited S.A. is the accounting parent. Because the Company is not a business Younited S.A. is deemed to have carried out an increase in capital in conjunction with a reorganization of capital at the date of the Combination with the Company, such as the owners of Younited S.A. are now the owners of the Group.

The scope of consolidation is reviewed regularly and updated to reflect any changes in the Group's structure or control relationships.

The subsidiary within the scope of consolidation are as follows:

		2024		2023	
Company	**Country**	**% of control**	**Consolidation Method**	**% of control**	**Consolidation Method**
Younited Financial	Luxembourg	100%	Consolidation	N/A	N/A

The Group was formed in 2024. No consolidated group existed in 2023.

3.1 Transaction between Iris Financial and Younited

3.1.1 *Context of the transaction*

On December 20, 2024 (The "Closing Date"), the Company, completed the acquisition of Younited S.A. ("Younited") pursuant to the Business Combination Agreement, dated October 7, 2024. Considering the criterias outlined in IFRS 3 'Business combinations' and notably the fact that following the transaction (i) Younited's shareholders hold a majority of the Company's voting rights; (ii) the Company's Board of Directors is composed of a majority of Younited's Management Board members; (iii) the Group's management team is composed of members of Younited's management team; and (iv) Younited's operations include operations continued by the Group, Younited has been considered the accounting acquirer.

While the Company is the legal acquirer in the Business Combination, because Younited was deemed the accounting acquirer, the historical financial statements of Younited became the historical financial statements of the Group upon completion of the Business Combination. As a result, the consolidated financial statements included in this report reflect (i) the historical result of operation of Younited prior to the Closing Date; (ii) the consolidated result of operation of the Group following the Closing Date; (iii) the assets and liabilities of Younited at their historical cost; and (iv) the Company's equity structure for all periods presented.

In accordance with guidance applicable to these circumstances, the equity structure has been restated in all comparative periods up to the Closing Date, to reflect the number of shares of the Company's, issued to Younited's shareholders in connection with the Business Combination. As such, Younited's shares and corresponding capital amounts and earnings per share prior to the Business Combination have been retroactively restated as shares reflecting the exchange ratio established in the Business Combination Agreement.

The transaction is considered a capital reorganization of Younited within the scope of IFRS 2 'Share-based payment,' as Iris Financial does not meet the definition of a business under IFRS 3, 'Business combinations'. From an accounting perspective, Younited is deemed to carry out a capital increase in exchange for the net assets of Iris Financial. The difference between the fair value of the deemed issued shares and the net asset value of Iris Financial represents the expense incurred by the former shareholders of Younited to access the market.

The share capital and share premium presented in the consolidated statement of financial position and in the consolidated statement of changes in equity has been restated to reflect the share capital and share premium of the legal acquirer, i.e., Iris Financial (renamed Younited Financial S.A.). The difference between the share capital and share premium of the legal acquirer and the share capital and share premium of the accounting acquirer is recognized in other reserves and retained earnings.

3.1.2 *Accounting implications*

Fair value of shares deemed issued

The fair value of the shares deemed issued has been determined by calculating the deemed number of shares the accounting acquirer would have had to issue to obtain control over the listed shell company as if it had directly acquired the shares of the listed shell company. This deemed number of shares issued has then been multiplied by the market value of a share of the accounting acquiree just before the transaction.

	Quantity	Value *(€)*	Total *(in € millions)*
Deemed issue of shares	**15,902,780**	**9.58**	**152.3**

As part of its initial public offering in April 2022, Iris Financial issued Public Warrants and Sponsor Warrants. Public warrants are listed on Euronext Amsterdam. When exercised in lots of three, both Public Warrants and Sponsor Warrants entitle their holders to subscribe to one new Ordinary Share of the Company at a price of respectively $11.50 and $12.00.

	Public warrants	Sponsor warrants
Grant date	7/7/2021	2/23/2022
Business combination date	12/20/2024	12/20/2024
Expiry date	12/19/2029	12/19/2029
Number of stock warrants granted	7,666,667	7,000,000
Outstanding as of January 1, 2023	**7,666,667**	**7,000,000**
Issued	-	-
Cancelled	-	-
Outstanding as at December 31, 2023	**7,666,667**	**7,000,000**
Issued	-	2,000,000
Cancelled	(7)	-
Outstanding as at December 31, 2024	**7,666,660**	**9,000,000**
Subscription price (in €)	-	0.96
Fair value on IBC date (in €)	0.77	0.70
Exercise price (in €)	10.95	11.42
Maximum increase in share capital (in €)	728	855

Determination of acquired assets and liabilities

In exchange for the deemed issuance of shares, Younited received the net assets of Iris Financial, valued at €122.4 million, consisting of current assets amounting to €152.7 million and current liabilities amounting to €30.3 million. The current assets primarily comprised the escrow account, totaling €152.4 million. The current liabilities mainly consisted of trade payables incurred in the context of the Business Combination and warrants liabilities.

(in € millions)	**Fair value**
Current assets	
Escrow account	152.4
Cash and cash equivalents	0.2
Total assets	**152.7**
Current liabilities	
Other financial liabilities	30.3
Total liabilities	**30.3**
Net assets acquired	**122.4**

Determination of the cost to access the market

The difference between the fair value of the deemed issued shares and the net asset value of Iris Financial represents the expense incurred by the former shareholders of Younited to access the market. This market access cost, amounting to €29.9 million, is recognized as an other operating expense in the consolidated statement of profit or loss and is reflected in the consolidated statement of changes in equity for the year ended December 31, 2024.

(in € millions)	
Net assets acquired	**122.4**
Capital increase	**152.3**
Listing expense	**(29.9)**

Note 4 Financial risk review

This note presents information about the Group's exposure to financial risks and the Group's management of capital. For information on the Group's "Financial risk management framework", see Note 23.

4.1 Credit risk

Credit risk is expressed through the impairment provisions recognized for expected credit losses (ECL) as defined by IFRS 9 'Financial instruments'.

IFRS 9 'Financial instruments' introduces a single credit risk impairment model, based on expected credit losses rather than incurred losses. These impairment methods apply to all financial assets measured at amortised cost or fair value through recyclable equity, lease receivables, loan commitments and financial guarantee contracts.

This mechanism requires recognition of a loss allowance for impairment as from the initial recognition of the exposures concerned. This initial loss allowance corresponds to the expected credit losses given default over the next 12 months (stage 1). If the credit risk increases significantly after initial recognition, the expected credit losses will be measured over the residual lifetime of the instrument (stage 2). Finally, if the credit quality deteriorates to the point where the recoverability of the receivable is threatened, the lifetime expected losses must be provisioned (stage 3), taking account in the calculation of the increase in the risk by comparison with the loss allowances estimated in stage 2 (including the use of 100% probability of default). Expected credit losses are therefore recognized progressively, reflecting the increase in the risk of the instrument.

The main characteristics of the different stages of provisioning can be summarized as follows:

Stage 1 - Performing assets not downgraded

All the contracts concerned, with the exception of financial assets purchased credit-impaired (POCI), are initially accounted for in this category;

- The amount of credit risk impairment is calculated on 12-month expected credit losses;
- Interest revenue is recognized in profit or loss using an effective interest rate applied to the gross carrying value of the asset before impairment.

Stage 2 – Performing assets downgraded

In the event of significant increase of credit risk since initial recognition, the financial asset is transferred to this category from stage 1;

- The amount of credit risk impairment is then calculated on the remaining lifetime expected loss (losses expected at maturity);
- Interest revenue is recognized in profit or loss using an effective interest rate applied to the gross carrying value of the asset before impairment;
- The significant increase in credit risk is based on an assessment of the change in the risk of default over the lifetime of the instrument, rather than a change in the amount of the expected credit losses. A significant increase in credit risk can be determined individually (instrument by instrument) or collectively, based on portfolios of similar financial assets.

Stage 3 - Defaulted assets

- Financial assets that have suffered a default event will be downgraded to this category;
- The amount of credit risk impairment continues to be calculated on the remaining lifetime expected loss (losses expected at maturity), but the calculation method will take account of an additional increase in credit risk;
- Interest revenue is recognized in profit or loss using an effective interest rate applied to the net carrying value of the asset (after impairment).

A financial instrument is considered as defaulted when one or more events occur with a detrimental effect on its future estimated cash flows. Indications of impairment include any credit event corresponding to one of the following situations:

- Probable or certain risk of non-collection: 61 days of unpaid amounts;
- Confirmed counterparty risk: over indebtedness procedure;
- Close-out netting.

The default definition hereby used is in accordance with the definition of default as defined by the European Banking Authority.

Expected credit losses correspond to the present value of the difference between the contractual cash flows and those that the Group expects to receive, which are calculated on the basis of estimations relying on the probability of realistically achievable scenarios, under circumstances existing at the reporting date, and the macro-economic forecasts available (without having to incur unreasonable costs or efforts to obtain them). These credit losses are calculated on the maximum contractual period (including options for extension) during which the Group is exposed to the credit risk.

Purchased or originated credit-impaired financial assets

In some cases, financial assets are credit-impaired at their initial recognition. For these assets, the effective interest rate is calculated taking into account the lifetime expected credit losses in the initial estimated cash flows. Any change in lifetime expected credit losses since initial recognition, positive or negative, is recognized as a loss allowance adjustment in profit or loss.

Write-off

Financial assets are derecognized when there is no reasonable expectation of recovering a financial asset in its entirety or a portion thereof. This is generally the case when the Group determines that the borrower does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. This assessment is carried out at the individual asset level.

The Group does not allow modifications of financial assets. Once a financial asset has been written off, it is not subject to reinstatement. Any subsequent recoveries of previously written-off amounts are recognized when cash is received and included in 'impairment losses on financial instruments' in the statement of profit or loss.

Presentation of allowance for ECL in the consolidated statement of financial position

Loss allowances for ECL are presented in the consolidated statement of financial position as a deduction from the gross carrying amount of the corresponding assets.

4.1.1 *Credit quality analysis*

The following tables set out information about the credit quality of financial assets measured at amortised cost and at FVOCI broken down by grade at origination for each reporting date. Unless specifically indicated, the table represents gross carrying amounts of financial assets.

Loans and advances to customers at amortised cost

	As at December 31, 2024					
(in € thousands)	**12-month PD ranges**	**Stage 1**	**Stage 2**	**Stage 3**	***o/w POCI***	**Total**
Loans and advances to customers at amortised cost						
Grades A1-A3: Strong	0 to 3%	55,901	1,637	2,424	9	**59,961**
Grades A4-A6: Satisfactory	3 to 6%	95,060	35,935	21,009	80	**152,003**
Grades A7 and lower: Higher risk	6 to 9%	52,069	45,616	61,759	606	**159,444**
Gross carrying amount		203,030	83,188	85,191	695	**371,409**
Loss allowance		(7,500)	(14,531)	(74,491)	(658)	**(96,522)**
Net carrying amount		**195,530**	**68,657**	**10,700**	**37**	**274,888**

	As at December 31, 2023					
(in € thousands)	**12-month PD ranges**	**Stage 1**	**Stage 2**	**Stage 3**	***o/w POCI***	**Total**
Loans and advances to customers at amortised cost						
Grades A1-A3: Strong	0 to 3%	66,139	1,988	1,115	9	**69,243**

Grades A4-A6: Satisfactory	3 to 6%	103,809	56,400	18,023	223	**178,232**
Grades A7 and lower: Higher risk	6 to 9%	84,483	41,443	72,620	2,210	**198,545**
Gross carrying amount		254,432	99,831	91,758	2,443	**446,021**
Loss allowance		(9,851)	(16,159)	(80,664)	(2,300)	**(106,674)**
Net carrying amount		**244,581**	**83,672**	**11,094**	**144**	**339,347**

Loans and advances to customers at FVOCI

	As at December 31, 2024					
(in € thousands)	**12-month PD ranges**	**Stage 1**	**Stage 2**	**Stage 3**	***o/w POCI***	**Total**
Loans and advances to customers at FVOCI						
Grades A1-A3: Strong	0 to 3%	215,813	3,436	13,760	333	**233,009**
Grades A4-A6: Satisfactory	3 to 6%	100,955	31,011	27,555	668	**159,521**
Grades A7 and lower: Higher risk	6 to 9%	61,082	45,976	52,894	1,022	**159,952**
Gross carrying amount		377,850	80,423	94,210	2,023	**552,482**
Loss allowance		(9,867)	(12,884)	(81,043)	(1,912)	**(103,794)**
Fair value adjustment		5,791	2,037	1,633	9	**9,461**
Net carrying amount		**373,774**	**69,576**	**14,800**	**120**	**458,150**

	As at December 31, 2023					
(in € thousands)	**12-month PD ranges**	**Stage 1**	**Stage 2**	**Stage 3**	***o/w POCI***	**Total**
Loans and advances to customers at FVOCI						
Grades A1-A3: Strong	0 to 3%	237,624	3,779	31,022	861	**272,425**
Grades A4-A6: Satisfactory	3 to 6%	96,597	26,737	37,178	1,098	**160,512**
Grades A7 and lower: Higher risk	6 to 9%	68,697	48,535	82,120	1,791	**199,352**
Gross carrying amount		402,918	79,051	150,320	3,750	**632,289**
Loss allowance		(12,844)	(13,556)	(129,791)	(3,402)	**(156,192)**
Fair value adjustment		(2,869)	1,886	2,173	52	**1,190**
Net carrying amount		**387,204**	**67,381**	**22,702**	**401**	**477,287**

Loans and advances to financial institutions

Loans and advances to financial institutions comprise on-call deposits and their PD is nearly zero.

4.1.2 *ECL methodology and amounts arising from ECL*

Significant increase in credit risk

When determining whether the risk of default on a financial instrument has increased significantly since initial recognition, the Group considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Group's historical experience and expert credit assessment and including forward-looking information.

The objective of the assessment is to identify whether a significant increase in credit risk has occurred for an exposure by comparing:

- The probability of default (PD) as at the reporting date; with
- The PD for this point in time that was estimated at the time of initial recognition of the exposure (adjusted where appropriate for changes in prepayment expectations).

The Group uses three criteria in determining whether there has been a significant increase in credit risk:

- A quantitative test based on movement in PD;
- Qualitative indicators; and
- A backstop of 30 days past due.

Credit risk grades

The Group allocates each exposure to a credit risk grade based on a variety of data that is determined to be predictive of the risk of default and applying experienced credit judgement. Credit risk grades are updated twice a year and defined using (i) qualitative factors such as incidence of change in macroeconomic conditions on grading since origination and (ii) quantitative factors based on borrowers' behaviour. These factors are indicative of risk of default.

Credit risk grades are defined and calibrated such that the risk of default occurring increases as the credit risk grade deteriorates. Each exposure is allocated to a credit risk grade on initial recognition based on available information about the borrower. Exposures are subject to ongoing monitoring, which may result in an exposure being moved to a different credit risk grade. The monitoring typically involves use of the following data.

Grading	12-month weighted-average PD
Grades A1-A3: Strong	0 to 3%
Grades A4-A6: Satisfactory	3 to 6%
Grade A7 and lower: Higher risk	6 to 9%
Credit impaired	100%

Generating the term structure of PD

Credit risk grades are a primary input into the determination of the term structure of PD for exposures. The Group collects performance and default information about its credit risk exposures analysed by jurisdiction or region and by type of product and borrower as well as by credit risk grading. The Group employs statistical models to analyse the data collected and generate estimates of the remaining lifetime PD of exposures and how these are expected to change as a result of the passage of time.

Determining whether credit risk has increased significantly

The Group assesses whether credit risk has increased significantly since initial recognition at each reporting date.

As a general indicator, the credit risk of a particular exposure is deemed to have increased significantly since initial recognition if, based on the Group's quantitative modelling, the change in annualised lifetime PD since initial recognition is greater than 300 basis points (bps).

Incorporation of forward-looking information

The Group incorporates forward-looking information into both the assessment of whether the credit risk of an instrument has increased significantly since its initial recognition and the measurement of ECL. The Group formulates three economic scenarios:

- *Baseline Scenario*: The central or most likely forecast of economic conditions based on current data and expected trends. The central scenario is aligned with information used by the Group for other purposes such as strategic planning and budgeting.
- *Upside Scenario*: A more optimistic scenario that assumes favourable economic conditions and improved borrower performance. This scenario typically leads to an improvement in default and recovery rate.
- *Downside Scenario*: A pessimistic scenario that assumes adverse economic conditions, higher risk of borrower default, and worsened financial performance. This scenario typically leads to a deterioration in default and recovery rate.

The link between these macroeconomic scenarios and the ECL measurement is primarily established through modelling default, recovery and prepayment probabilities as well as adjustments to migration matrices of stage definition. This allows for the measurement of expected losses for each scenario.

Each scenario is assigned a probability of occurrence and the weighted average of the ECL from these scenarios is used to determine the impairment allowance for financial assets measured at amortised cost and FVOCI.

External information considered includes economic data and forecasts published by governmental bodies and monetary authorities in the countries where the Company operates.

Younited has a long observable track record in France where it has been operating since 2011, and is hence using macro-economic forecast, published by the Banque de France, to establish its scenarios and assess potential ECL impacts.

The table below lists the macroeconomic assumptions used in the base case scenarios over the forecast period, on France.

	Actuals(1)	Forecasts(1)		
	2024	2025	2026	2027
GDP	1.1%	1.2%	1.6%	1.3%
Inflation	1.8%	1.7%	1.7%	1.9%
Unemployment rate	7.4%	7.9%	7.6%	7.4%
Savings rate	18.0%	17.0%	17.0%	16.4%

(1) *Source: Banque de France*

Baseline scenario

In the baseline scenario, we assume a slow economic recovery in 2025 and 2026 supported by decreasing unemployment and real wage moderate growth. The geopolitical tensions remain contained without further escalation, and central banks gradually ease monetary policy in 2025.

- *GDP:* Growth is expected to be modest in 2025, burdened by political uncertainties, slowing down household consumption. A rebound is expected in 2026 driven by more favourable financial conditions allowing an increase of private investment.
- *Inflation:* Inflation is projected to decline driven by a downward trend of energy and food prices (with a slower decrease in service prices and industrial goods).
- *Unemployment rate:* The unemployment rate is anticipated to increase in 2025 due to the delayed effect of post-Covid economic slowdown and productivity loss. The unemployment rate is expected to decrease starting in 2026, particularly due to the end of labour hoarding in certain sectors.

- *Consumer Savings*: Consumer savings rates are expected to remain at high levels in 2026, reflecting cautious consumer spending due to economic uncertainty and high inflation, then slightly decreasing as households' purchasing power recovers .

Upside Scenario

The upside scenario envisions a stronger economic recovery driven by improved consumer confidence, robust fiscal support, and easing of supply constraints. This scenario assumes that the central banks successfully manage to reduce inflation without triggering a recession .

- *GDP:* GDP growth accelerates, primarily driven by a faster decline in inflation that boosts consumer confidence and spending. This is supported by a stronger recovery in global trade within the EU, and more aggressive monetary policy easing by the ECB as inflation comes under control. The resolution of current geopolitical tensions significantly improves business sentiment and investment outlook .
- *Inflation:* Inflation falls more rapidly than expected, driven by a combination of stabilizing energy prices, improved supply chain efficiency, and a stronger euro reducing import costs .
- *Unemployment rate:* The labour market shows more resilient improvement. This is achieved through increased business investment in productivity-enhancing technologies and successful implementation of labour market reforms. The economy adapts more quickly to post-Covid structural changes, creating new employment opportunities across sectors .
- *Consumer Savings:* Consumer behavior shifts more positively. This reflects restored consumer confidence, release of pent-up demand, and improved real wage growth, all contributing to a virtuous cycle of economic expansion .

Downside Scenario

In the downside scenario, the geopolitical and economic uncertainties materialize: the economic environment deteriorates due to escalated geopolitical tensions, a deeper energy crisis, or a sharp tightening of financial conditions. This scenario reflects a significant shock to the economy, resembling a severe recession.

- *GDP:* GDP growth stalls in 2025-2026, undermined by political turmoil, fear of a debt crisis and renewed geopolitical tensions affecting trade and energy prices. The persistent impact of high interest rates weighs heavily on business investment, while weaker global demand, particularly from key trading partners, hampers export growth.
- *Inflation:* Inflation remains elevated 2025. This persistence stems from new energy price shocks and continued supply chain disruptions. A rise in global commercial tensions, marked by the Trump administration's aggressive trade policies and retaliatory tariffs, leads to higher import costs across multiple sectors. A weaker euro further compounds these pressures by increasing import costs, forcing the ECB to maintain a tighter monetary stance for longer.
- *Unemployment rate:* Extended business uncertainty leads to delayed hiring decisions, while accelerated automation in response to cost pressures displaces workers in traditional sectors. Structural changes in key industries like retail and tourism create additional employment challenges.
- *Consumer Savings:* Consumer caution intensifies, reflecting heightened economic uncertainty, reduced real disposable income, and a general reluctance to make major purchasing decisions. The combination of these factors creates a self-reinforcing cycle of weak demand and economic stagnation.

Scenario weighting

Younited has taken a balanced approach in its scenario weighting, reflecting a rather cautious outlook for economic recovery tempered by awareness of potential downside risks.

The scenario probability weightings applied in measuring ECL are as follows:

	As at December 31, 2024		
	Upside	**Central**	**Downside**
Scenario probability weighting	0%	50%	50%

Sensitivity of ECL to future economic conditions

Predicted relationships between the key indicators and default and loss rates of financial assets have been considered based on analysing historical data over the past 10 years.

The ECL are sensitive to judgements and assumptions made regarding formulation of forward-looking scenarios and how such scenarios are incorporated into the calculations. Management performs a sensitivity analysis on the ECL recognized on material classes of its assets.

The table below shows the loss allowance for ECL on loans and advances to customers assuming each forward-looking scenario (e.g. central, upside and downside) were weighted 100%. For ease of comparison, the table also includes the probability-weighted amounts that are reflected in the financial statements.

	As at December 31, 2024			
(in € thousands)	**Upside**	**Central**	**Downside**	**Probability-weighted**
Gross carrying amount	923,891	923,891	923,891	923,891
Loss allowance	(181,861)	(194,023)	(206,607)	(200,315)
Proportion of assets in Stage 2	16%	16%	16%	

	As at December 31, 2023			
(in € thousands)	**Upside**	**Central**	**Downside**	**Probability-weighted**
Gross carrying amount	1,078,309	1,078,309	1,078,309	1,078,309
Loss allowance	(239,878)	(254,972)	(270,760)	(262,866)
Proportion of assets in Stage 2	17%	17%	17%	

Measurement of ECL

The key inputs into the measurement of ECL are the term structure of the following variables:

- Probability of default (PD);
- Loss given default (LGD); and
- Exposure at default (EAD).

ECL for exposures in Stage 1 are calculated by multiplying the 12-month PD by LGD and EAD. ECL for exposures in stage 2 are calculated by multiplying the lifetime PD by LGD and EAD. ECL for exposures in stage 3 are calculated by multiplying LGD by EAD. The methodology for estimating PDs is discussed above under the heading ‘Generating the term structure of PD’.

LGD is the magnitude of the likely loss if there is a default. The Group estimates LGD parameters based on the history of recovery rates of claims against defaulted counterparties. The LGD models consider the structure and the seniority of the claim. LGD estimates are recalibrated for different economic scenarios. They are calculated on a discounted cash flow basis using the effective interest rate as the discounting factor.

EAD represents the expected exposure in the event of a default. The Group derives the EAD from the current exposure to the counterparty and potential changes to the current amount arising from amortisation. The EAD of a financial asset is its gross carrying amount at the time of default.

As described above, and subject to using a maximum of a 12-month PD for Stage 1 financial assets, the Group measures ECL considering the risk of default over the maximum contractual period over which it is exposed to credit risk.

Loss allowance

The following tables show reconciliations from the opening to the closing balance of the loss allowance by class of financial instrument.

Loss allowance on loans and advances to customers at amortised cost

	2024			
(in € thousands)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to customers at amortised cost				
Balance at January 1	9,851	16,159	80,664	**106,674**
Transfer to Stage 1	*3 830*	*(3,241)*	*(589)*	*-*
Transfer to Stage 2	*(1,407)*	*1 921*	*(514)*	*-*
Transfer to Stage 3	*(875)*	*(4,704)*	*5 579*	*-*
Financial assets that have been derecognized	(95)	(313)	(32,157)	**(32,565)**
New financial assets originated or purchased	2,546	662	995	**4,204**
o/w originated	*2,546*	*662*	*995*	***4,204***
o/w purchased	*-*	*-*	*-*	*-*
Net remeasurement of loss allowance	(4,803)	(1,978)	24,989	**18,209**
Balance at December 31	**7,500**	**14,531**	**74,491**	**96,522**

	2023			
(in € thousands)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to customers at amortised cost				
Balance at January 1	12,047	21,266	45,839	**79,152**
Transfer to Stage 1	*4 756*	*(4,512)*	*(243)*	*-*
Transfer to Stage 2	*(2,081)*	*2 798*	*(717)*	*-*
Transfer to Stage 3	*(1,202)*	*(7,052)*	*8 254*	*-*
Financial assets that have been derecognized	196	(62)	(2,954)	**(2,820)**
New financial assets originated or purchased	5,232	2,595	1,438	**9,265**
o/w originated	*4,834*	*1,904*	*418*	***7,156***
o/w purchased	*398*	*690*	*1,020*	***2,108***
Net remeasurement of loss allowance	(7,624)	(7,639)	36,341	**21,077**
Balance at December 31	**9,851**	**16,159**	**80,664**	**106,674**

Loss allowance on loans and advances to customers at FVOCI

	2024			
(in € thousands)	**Stage 1**	**Stage 2**	**Stage 3**	**Total**
Loans and advances to customers at FVOCI				
Balance at January 1	12,844	13,556	129,791	**156,192**
Transfer to Stage 1	*2 587*	*(2,587)*	*-*	*-*
Transfer to Stage 2	*(1,083)*	*1 349*	*(266)*	*-*
Transfer to Stage 3	*(720)*	*(4,063)*	*4 783*	*-*
Financial assets that have been derecognized	(1,355)	(148)	(81,949)	**(83,452)**
New financial assets originated or purchased	6,460	3,388	15,542	**25,389**
o/w originated	*5,921*	*2,248*	*2,329*	***10,497***
o/w purchased	*539*	*1,140*	*13,213*	***14,892***
Net remeasurement of loss allowance	(8,082)	(3,912)	17,659	**5,665**
Balance at December 31	**9,867**	**12,884**	**81,043**	**103,794**

	2023			
(in € thousands)	Stage 1	Stage 2	Stage 3	Total
Loans and advances to customers at FVOCI				
Balance at January 1	15,122	9,133	102,742	**126,997**
Transfer to Stage 1	*3 587*	*(3,238)*	*(349)*	-
Transfer to Stage 2	*(2,191)*	*2 624*	*(433)*	-
Transfer to Stage 3	*(1,021)*	*(6,800)*	*7 820*	-
Financial assets that have been derecognized	(1,316)	(3,122)	(2,121)	**(6,559)**
New financial assets originated or purchased	9,833	5,275	972	**16,080**
o/w originated	*9,497*	*2,653*	*720*	***12,870***
o/w purchased	*336*	*2,622*	*252*	***3,210***
Net remeasurement of loss allowance	(10,795)	2,271	28,198	**19,674**
Balance at December 31	**12,844**	**13,556**	**129,791**	**156,192**

The following table provides a reconciliation between:

- amounts shown in the above tables reconciling opening and closing balances of loss allowance for ECL per class of financial instrument; and
- the 'impairment losses on financial instruments' line item in the consolidated statement of profit or loss.

	Twelve-month period ended December 31, 2024		
(in € thousands)	Loans and advances to customers at amortised cost	Loans and advances to customers at FVOCI	Total
Derecognized financial assets	(32,565)	(83,452)	(116,017)
New financial assets originated or purchased	18,209	5,665	23,874
Net remeasurement of loss allowance	4,204	25,389	29,593
	(10,152)	**(52,398)**	**(62,550)**
Write-offs	32,078	86,654	118,732
Non-performing loans purchased	-	(9,680)	(9,680)
Impairment losses on financial instrument	**21,926**	**24,576**	**46,502**

	Twelve-month period ended December 31, 2023		
(in € thousands)	Loans and advances to customers at amortised cost	Loans and advances to customers at FVOCI	Total
Derecognized financial assets	(2,820)	(6,559)	**(9,378)**
New financial assets originated or purchased	9,265	16,080	**25,345**
Net remeasurement of loss allowance	21,077	19,674	**40,751**
	27,522	**29,195**	**56,718**
Write-offs	1,238	659	**1,897**
Non-performing loans purchased	-	(724)	**(724)**
Impairment losses on financial instrument	**28,760**	**29,130**	**57,890**

Credit-impaired financial assets

The following table sets out a reconciliation of changes in the net carrying amount of credit impaired loans and advances to customers.

(in € thousands)	2024	2023
Credit-impaired loans and advances to customers at January 1 at amortised cost	11,094	9,613
Net repayments	(593)	(346)
Disposals	(3,444)	(14)
Declassified as credit-impaired during the year	(1,067)	(622)
Classified as credit-impaired during the year	7,469	11,665
Change in ECL allowance	(2,758)	(9,202)
Credit-impaired loans and advances to customers at December 31 at amortised cost	**10,700**	**11,094**

(in € thousands)	2024	2023
Credit-impaired loans and advances to customers at January 1 at FVOCI	22,702	19,958
Net repayments	(861)	(2,151)
Disposals	(11,771)	(99)
Declassified as credit-impaired during the year	(1,133)	(879)
Classified as credit-impaired during the year	8,158	5,249
Net remeasurement of fair value	(2,296)	624
Credit-impaired loans and advances to customers at December 31at FVOCI	**14,800**	**22,702**

4.1.3 *Concentration of credit risk*

The Group monitors concentrations of credit risk by customer profiles and by geography. An analysis of concentrations of credit risk from loans and advances to customers is shown below.

	As at December 31,	
(in € thousands)	2024	2023
Net carrying amount	733,038	816,634
Concentration by sector		
Retail (unsecured)	733,038	816,634
Concentration by location		
France	266,828	197,266
Italy	191,007	278,270
Spain	115,642	142,506
Portugal	70,288	78,030
Germany	89,273	120,562
	733,038	**816,634**

An analysis of concentration of credit risk from cash and cash equivalents is presented below.

	As at December 31,	
(in € thousands)	**2024**	**2023**
Line items included in Cash and Cash equivalents		
Cash, due from central banks	193,433	236,756
Loans and advances to financial institutions	83,413	73,525
Total Cash and Cash equivalents	**276,846**	**310,281**
Concentration by location		
France	258,450	310,281
Other	18,396	-
	276,846	**310,281**

4.2 Liquidity risk

For information on the Group's "Financial risk management framework", see Note 23.

4.2.1 *Exposure to liquidity risk*

The key measure used by the Group for managing liquidity risk is the coverage of net liquid assets to deposits from customers and short-term funding. For this purpose, 'net liquid assets' includes cash and cash equivalents and investment-grade debt securities for which there is an active and liquid market. 'Deposits from customers and short-term funding' includes deposits from banks, customers, other borrowings and commitments maturing within the next month.

Details of the reported Group net liquid assets at the reporting date and during the reporting period were as follows:

	As at December 31,	
(in € thousands)	**2024**	**2023**
At closing	276,846	310,281
Average for the year	264,552	249,923
Maximum for the year	352,479	310,281
Minimum for the year	178,410	137,922

The coverage in amounts is detailed in the note thereafter.

4.2.2 *Maturity analysis for financial liabilities and financial assets*

The following tables set out the remaining contractual maturities of the Group's financial liabilities and financial assets.

	As at December 31, 2024						
(in € thousands)	**Carrying amount**	**Gross nominal inflow**	**Less than 1 month**	**1 - 3 months**	**3 months - 1 year**	**1 - 5 years**	**More than 5 years**
Financial assets							
Cash, due from central banks	193,433	193,433	193,433	-	-	-	-
Financial assets at FVTPL	86,837	86,837	86,837	-	-	-	-
Loans and advances to financial institutions	83,413	83,413	83,413	-	-	-	-
Loans and advances to customers	733,038	810,468	28,432	58,233	223,452	474,818	25,534
Other assets	81,870	84,905	1,791	15,417	33,961	33,654	82
Incl. Contract assets	*41,270*	*44,304*	*1,360*	*2,719*	*12,236*	*27,908*	*82*
Total	**1,178,591**	**1,259,056**	**393,906**	**73,650**	**257,413**	**508,472**	**25,616**
Financial liabilities							
Financial liabilities at FVTPL	12,181	12,181	12,181	-	-	-	-
Loans from financial institutions	60,611	65,480	1,585	3,125	13,119	47,652	-
Deposits from deposit holders	832,722	860,465	15,107	177,503	326,203	341,651	-
Other liabilities	79,846	80,202	44,586	24,171	1,950	9,495	-
Incl. Lease liabilities	*13,005*	*13,361*	*954*	*962*	*1,950*	*9,495*	-
Total	**985,360**	**1,018,327**	**73,459**	**204,799**	**341,271**	**398,798**	**-**

	As at December 31, 2023						
(in € thousands)	**Carrying amount**	**Gross nominal inflow**	**Less than 1 month**	**1 - 3 months**	**3 months - 1 year**	**1 - 5 years**	**More than 5 years**
Financial assets							
Cash, due from central banks	236,756	236,756	236,756	-	-	-	-
Financial assets at FVTPL	135,403	135,403	135,403	-	-	-	-
Loans and advances to financial institutions	73,525	73,525	73,525	-	-	-	-
Loans and advances to customers	816,634	911,933	28,907	58,580	231,093	554,296	39,057
Other assets	85,537	87,819	1,547	16,943	30,366	38,856	106
Incl. Contract assets	*48,457*	*50,739*	*1,368*	*2,737*	*12,316*	*34,317*	-
Total	**1,347,854**	**1,445,434**	**476,137**	**75,523**	**261,459**	**593,152**	**39,163**
Financial liabilities							
Financial liabilities at FVTPL	-	-	-	-	-	-	-
Loans from financial institutions	60,033	65,730	1,219	2,429	10,742	51,340	-
Deposits from deposit holders	1,126,252	1,165,616	9,901	101,472	503,098	551,145	-
Other liabilities	68,840	69,394	34,740	19,843	2,004	12,807	-
Incl. Lease liabilities	*16,133*	*16,687*	*927*	*949*	*2,004*	*12,807*	-
Total	**1,255,125**	**1,300,740**	**45,860**	**123,744**	**515,844**	**615,292**	**-**

The amounts stated above relates to financial instruments and have been compiled based on their undiscounted cashflows.

The Group's expected cash flows on some financial assets and financial liabilities vary significantly from the contractual cash flows. The principal differences are as follows:

- Loans and advances to customers have an original contractual maturity of between 5 and 7 years but an average duration of less than two years because customers take advantage of early repayment options.
- Subscription rate of insurance contracts, extinguishment of insurance contracts and early repayment on loans behaviour of consumers have impacts on the timing and magnitude of contractual cash flows of insurance brokerage fees.

The following table sets out the carrying amounts of financial assets and financial liabilities expected to be recovered or settled less than 12 months after the reporting date.

	As at December 31,	
(in € thousands)	**2024**	**2023**
Financial assets		
Cash, due from central banks	193,433	236,756
Financial assets at FVTPL	86,837	135,403
Loans and advances to financial institutions	83,413	73,525
Loans and advances to customers	310,117	311,020
Other assets	51,169	48,667
Incl. Contract assets	*16,314*	*16,233*
Total	**724,968**	**805,370**
Financial liabilities		
Financial liabilities at FVTPL	12,181	-
Deposits from financial institutions	18,662	14,390
Deposits from deposit holders	518,813	614,471
Other liabilities	64,008	53,534
Incl. Lease liabilities	*3,698*	*3,667*
Total	**613,664**	**682,395**

The following table sets out the carrying amounts of financial assets and financial liabilities expected to be recovered or settled more than 12 months after the reporting date.

	As at December 31,	
(in € thousands)	**2024**	**2023**
Financial assets		
Loans and advances to customers	422,921	505,614
Other assets	30,702	36,870
Incl. Contract assets	*24,956*	*32,224*
Total	**453,623**	**542,484**
Financial liabilities		
Deposits from financial institutions	41,949	45,643
Deposits from deposit holders	313,909	511,781
Other liabilities	15,838	15,306
Incl. Lease liabilities	*9,307*	*12,466*
Total	**371,696**	**572,730**

4.2.3 *Liquidity reserves*

As part of the management of liquidity risk arising from financial liabilities, the Group holds at all times enough liquid assets comprising cash and cash equivalents, which can be readily sold to meet liquidity requirements to cover a short-term stressed outflows scenario. In addition, the Group maintains agreed and committed lines of credit with other banks and holds unencumbered assets eligible for use as collateral for drawing on those credit lines (these amounts are referred to as the 'Group's liquidity reserves').

The following table sets out the components of the Group's liquidity reserves.

Liquidity reserves

	As at December 31,			
	2024		2023	
(in € thousands)	Carrying amount	Fair value	Carrying amount	Fair value
Cash, due from central banks	193,433	193,433	236,756	236,756
Loans and advances to financial institutions	83,413	83,413	73,525	73,525
Undrawn credit lines granted	74,480	74,480	55,010	55,010
Other assets eligible to HQLA	28,633	28,633	27,805	27,805
Total liquidity reserves	**379,960**	**379,960**	**393,095**	**393,095**

(1) High Quality Liquid Assets

4.3 Market risk

For the definition of market risk and information on how the Group manages the market risks, see Note 23 “Financial Risk Management - Market risk”.

The sole type of market risk to which the Group is exposed is the interest rate risk. The Group is not exposed to any customer concentration risk and the countries in which it operates are deemed politically stable.

Loans and advances to customers at amortised costs are at a fixed interest rate. Prepayment penalties are designed to cover the unpaid interest over the remaining maturity of the loan at the time of prepayment, which consequently prevents arbitrage opportunities in case of interest rate fluctuations. Deposits from deposit holders also are at fixed interest rate, although with no option for early repayment.

Given the information above, the Group considers that loans and advances to customers at amortised cost and deposits from deposit holders are not subject to material interest rate risk.

The following table sets out the allocation of assets and liabilities subject to interest rate risk:

	As at December 31,	
(in € thousands)	2024	2023
Assets		
Financial assets at FVTPL	86,837	135,403
Loans and advances to customers at FVOCI	458,150	477,287
Loans and advances to customers at amortized cost	274,888	339,347
Total	**819,875**	**612,690**
Liabilities		
Financial liabilities at FVTPL	12,181	-
Total	**12,181**	**-**

Financial assets at FVTPL are investment securities which consist of shares of HQLA fund and securitisation fund. The shares issued by these securitisation funds are redeemable within the next 7 business days following their issuance. Exposure to interest rate risk is therefore minor.

A sensitivity analysis regarding loans and advances to customers at FVOCI is disclosed in note 6.

4.4 Capital management

The Autorité de Contrôle Prudentiel et de Résolution ('ACPR'), Younited S.A.'s lead regulator, sets and monitors capital requirements for the Group.

The ACPR adopted the Basel III capital requirements with effect from 1 January 2015. Younited S.A. reports to the ACPR on the basis of Younited S.A. statutory financial statements under French generally accepted accounting principles.

Younited S.A. uses the Standard Approach (SA) for the evaluation of its risk-weighted assets for credit risk and its operational risk obligations.

Younited S.A.'s regulatory capital consists only of Common Equity Tier 1 capital. The later includes ordinary share capital, related share premiums, retained earnings and reserves after adjustment for dividends proposed after the year end and deductions for intangible assets and other regulatory adjustments relating to items that are included in equity but are treated differently for capital adequacy purposes.

The lead regulator's approach to the measurement of capital adequacy is primarily based on monitoring the relationship of the capital resources requirement to available capital resources. The lead regulator sets Pillar 2 Guidance (P2G) and Pillar 2 Requirements (P2R) for each bank and banking group in excess of the minimum capital resources requirement of 8%. The P2G is determined by the combination of a quantitative stress-test that is reviewed and adapted during a process determined by the European Banking Authority (EBA) and the P2R is the result of the SREP ("Supervisory Review and Evaluation Process") as evaluated and reviewed by the ACPR.

Note 5 Operating segments

Pursuant to IFRS 8, operating segments are components of a group for which discrete financial information is available and whose operating results are regularly reviewed by the chief operating decision maker ("CODM") to assess performance and allocate resources.

According to IFRS 8, segment information is based on internal management information used by the Board of Directors, the Group's operating decision-maker. The Group is managed on a basis reflecting its global activity which is then classified as a single operating segment.

The table below sets out a breakdown of assets and liabilities of the Group by country. Such breakdown is not representative of segment information and only corresponds to geographical areas where our branches are located.

	As at December 31,	
(in € thousands)	**2024**	**2023**
Assets		
France	698,558	745,799
Italy	212,379	295,264
Spain	125,810	151,077
Germany	71,634	122,497
Portugal	97,671	84,336
Others	18,396	-
TOTAL ASSETS	**1,224,448**	**1,398,973**
Liabilities		
France	(943,872)	(1,245,488)
Italy	(11,147)	(9,432)
Spain	(2,525)	(2,072)
Germany	(2,186)	3,164
Portugal	4,023	(1,763)
Others	(30,268)	-
TOTAL LIABILITIES	**(985,975)**	**(1,255,591)**

The table below sets out a breakdown of revenue of the Group by country. Such breakdown is not representative of segment information and only corresponds to geographical areas where our branches are located.

	As at December 31,	
(in € thousands)	**2024**	**2023**
France	45,227	46,418
Italy	24,493	29,658
Spain	13,705	14,993
Germany	6,511	3,652
Portugal	4,479	7,033
Others	256	-
Total Revenue	**94,671**	**101,755**
Including Income from other activities	*45,563*	*42,886*

Note 6 Fair value of financial instruments

6.1 Determining fair value of financial instruments

IFRS 13 'Fair-value measurement' defines fair value as "the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date".
At initial recognition of a financial asset or liability, its fair value is assumed to be the transaction price.

During subsequent measurements, the standard recommends giving priority to quoted prices in active markets to determine the fair value of a financial asset or liability, or, if these data are not available, to valuation techniques based on observable market inputs.

An active market is defined as one in which transactions take place for the asset or liability with sufficient frequency and trading volume to provide continuous price information. In application of this definition, a market will be considered as active if the prices are easily and regularly available from a stock market, broker, trader, negotiator or regulatory agency, and if these prices represent actual and regular transactions on the market under normal competitive conditions.

In the absence of an active market, the most commonly used valuation techniques include reference to recent transactions in a normal market context, the fair values of similar instruments, discounted cash flow models and option pricing models, or the use of internal models in the case of valuations based on meaningful unobservable inputs of the value of the instruments concerned.

For the needs of financial reporting, IFRS 13 'Fair-value measurement' introduces a three-level fair value hierarchy, based on the decreasing order of observability of the values and parameters used for valuation. Some instruments can use inputs available at several levels, in which case the fair value measurement is categorised at the lowest level input that is significant to the entire measurement, based on the application of judgment.

Level 1: fair value is determined using quoted prices in an active market that are immediately accessible and directly usable.

Level 2: the instruments are measured using valuation techniques whose significant inputs are observable on the markets, directly (prices) or indirectly (derived from prices).

Level 3: this level includes the instruments valued on the basis of significant parameters that are not observable on the markets, for example in the absence of liquidity of the instrument, risks inherent in measurement model or in the inputs used. Unobservable inputs shall be the subject of internal assumptions that best reflect the assumptions that market participants would use when pricing the asset or liability. Developing these assumptions calls for judgment.

Investment securities measured at FVTPL are ranked level 1, while loans and advances to customers are categorised in level 3.

The following table provides the breakdown of financial instruments measured at fair value at each reporting date, by their level in the fair value hierarchy. The amounts are based on the values recorded in the consolidated statement of financial position.

(in € thousands)	As of December 31, 2024 Level 1	Level 3	Total
Loans and advances to customers at FVOCI			
Retail customers	-	458,150	**458,150**
Financial assets at FVTPL			
Financial assets at FVTPL	86,837	-	**86,837**
Financial liabilities at FVTPL			
Public warrants	-	5,883	**5,883**
Sponsor warrants	-	6,298	**6,298**
Total	**86,837**	**470,331**	**557,168**

(in € thousands)	As of December 31, 2023 Level 1	Level 3	Total
Loans and advances to customers at FVOCI			
Retail customers	-	477,287	**477,287**
Financial assets at FVTPL			
Financial assets at FVTPL	135,403	-	**135,403**
Total	**135,403**	**477,287**	**612,690**

Financial assets not measured at fair value and included in captions Cash due from Central Banks, Loans and advances to financial institutions and other assets consist of short-term instruments which fair value approximate their net carrying amount due to their short-term nature.

6.2 Level 3 fair value measurements

6.2.1 *Reconciliation*

The following table shows a reconciliation from the beginning to the ending balances of financial instruments measured at fair value:

(in € thousands)	2024 Loans and advances to customers at FVOCI	Financial liabilities at FVTPL	Total
Balance at January 1	477,287	-	477,287
Amortisation and Depreciation	(165,593)	-	(165,593)
Originated or purchased	230,184	12,181	242,365
Derecognized	(92,009)	-	(92,009)
FV remeasurement	8,281	-	8,281
Balance at December 31	**458,150**	**12,181**	**470,331**
Total gains or losses recognized in profit or loss	(2,898)	-	(2,898)
Net change in FVOCI	8,281	-	8,281

(in € thousands)	2023 Loans and advances to customers at FVOCI	Financial liabilities at FVTPL	Total
Balance at January 1	566,425	-	**566,425**
Amortisation and Depreciation	(222,366)	-	**(222,366)**
Originated or purchased	229,082	-	**229,082**
Derecognized	(117,196)	-	**(117,196)**
FV remeasurement	21,342	-	**21,342**
Balance at December 31	**477,287**	**-**	**477,287**
Total gains or losses recognized in profit or loss	5,318	-	5,318
Net change in FVOCI	16,024	-	16,024

6.2.2 *Unobservable inputs used in measuring fair value*

The following table sets out information about significant unobservable inputs in measuring financial instruments categorised as Level 3 in the fair value hierarchy:

	As at December 31, 2024							
	Valuation method	**Significant unobservable input**	**Value**	**Effect on OCI**		**Effect on P&L**		**Sensitivity performed**
				Upward	Downward	Upward	Downward	
Loans and advances to customers at FVOCI	Discounted cash flow	Credit risk-adjusted discount rate	6.4%	6,775	(6,539)	-	-	+/- 100 bps
		Total		**6,775**	**(6,539)**	**-**	**-**	
Financial liabilities at FVTPL	Black-scholes Option Pricing Model	Underlying FV	6.43	-	-	1,991	(1,836)	+/- 5%
		Unlevered volatility	28.7%	-	-	887	(899)	+/- 1pp
		Total		**-**	**-**	**2,878**	**(2,734)**	
Total				**6,775**	**(6,539)**	**2,878**	**(2,734)**	

	As at December 31, 2023							
	Valuation method	**Significant unobservable input**	**Value**	**Effect on OCI**		**Effect on P&L**		**Sensitivity performed**
				Upward	Downward	Upward	Downward	
December 31, 2023 Loans and advances to customers at FVOCI	Discounted cash flow	Credit risk-adjusted discount rate	7.0%	7,597	(6,982)	-	-	+/- 100 bps
		Total		**7,597**	**(6,982)**	**-**	**-**	

6.3 Financial instruments not measured at fair value

The following table sets out the fair values of financial instruments not measured at fair value and analyses them by the level in the fair value hierarchy in which each fair value measurement is categorised:

	As at December 31, 2024				
(in € thousands)	**Valuation technique**	**Significant unobservable input**	**Level 3**	**Total fair value**	**Total carrying amount**
Assets					
Loans and advances to customers at amortized cost	Discounted cash flow	Credit risk-adjusted discount rate	274,913	274,913	274,888
Liabilities					
Loans and deposits from financial institutions	Discounted cash flow	Discount rate	60,611	60,611	60,611
Deposits from deposit holders	Discounted cash flow	Discount rate	836,878	836,878	832,722

	As at December 31, 2023				
(in € thousands)	**Valuation technique**	**Significant unobservable input**	**Level 3**	**Total fair value**	**Total carrying amount**
Assets					
Loans and advances to customers at amortized costF	Discounted cash flow	Credit risk-adjusted discount rate	334,084	334,084	339,347
Liabilities					
Loans and deposits from financial institutions	Discounted cash flow	Credit risk-adjusted discount rate	60,033	60,033	60,033
Deposits from deposit holders	Discounted cash flow	Discount rate	1,163,485	1,163,485	1,126,252

Note 7 Net interest income

Interest income and expense are accounted for in profit or loss for all the financial instruments measured at amortized cost and fair value through recyclable equity, using the effective interest rate method.

The “effective interest rate” is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument in such a way as to obtain the gross carrying amount (or amortized cost) of the financial asset (or liability).

The calculation of this rate takes into account of all the contractual terms of the financial instrument (e.g. early repayment options, extension options, etc.) and includes all the commissions and costs received or paid that are by nature an integral part of the effective rate, together with transaction costs, premiums, or discounts.

In the particular case of purchased or originated credit-impaired financial assets, the effective interest rate also takes into account the expected credit losses in estimations of future cash flows.

The tables below set out the breakdown of interest income and expense by underlying type of financial instruments:

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
Interest income		
Cash, due from central banks	8,834	6,564
Financial assets measured at amortised cost	34,978	32,290
Financial assets measured at FVOCI	30,000	44,627
Total interest income	**73,813**	**83,481**
Interest expense		
Financial liabilities measured at amortised cost	(30,437)	(22,092)
Total interest expense	**(30,437)**	**(22,092)**
Net interest income	**43,375**	**61,389**

Note 8 Net income from financial instruments at FVTPL

Income from financial instruments measured at fair value through profit or loss includes (i) changes in fair value recognized in profit or loss as they arise (ii) interest income accrued on debt instruments measured at FVTPL, (iii) dividends received on equity instruments measured at FVTPL, recognized in profit or loss when the Group's right to receive payment is established and (iv) realized gains and losses on disposal of these financial instruments.

Fair value changes are measured in accordance with IFRS 13 'Fair-value measurement' as detailed in Note 6.

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
Net income from financial instruments mandatorily measured at FVTPL		
Financial assets at FVTPL:	2,835	2,799
Shares in securitisation funds (SPV shares)	*2,638*	*2,471*
HQLA	*197*	*327*

Note 9 Revenue from contracts with customers

Income from other activities

Income from other activities is measured based on the consideration specified in a contract with a customer. The Group recognises revenue when it transfers control over a service to a customer.

The following table provides information about the nature and timing of the satisfaction of performance obligations in contracts with customers, including significant payment terms, and the related revenue recognition policies.

Type of service	Nature and timing of satisfaction of performance obligations, including significant payment terms	Revenue recognition policies under IFRS 15
Access to the platform	The Group sells access to the Younited Credit platform to its B2B partners allowing them to provide credit offers to their clients. Such service is paid by the partners either through a license fee or through a transaction-based fee corresponding to a percentage of the credit sold by the partner.	Revenue from “Access to the platform” is recognized over time as the services are provided. Revenue related to transactions is recognized point in time when the transaction takes place.
Professional services	As part of the access to the Younited Credit platform to its B2B partners, the Group provides professional services surrounding personalisation of the platform and/or specific request to develop features to the platform. Such services are invoiced on an individual basis as the services are delivered.	Revenue from “Professional services” is recognized point in time or over the duration of the services delivered.
Insurance distribution	The Group offers insurance distribution services whereby it acts as an intermediary distributor between customers and an insurance Group to sell insurance coverage of the corresponding loans originated. Younited does not assume any insurance like risk. The Group receives fees as a fixed percentage of monthly premium payments as well as a portion of insurance profit sharing from the insurance company.	Revenue from “Insurance distribution services” is recognized point in time as the brokerage services are performed at the inception of the loan contract.
Leads sales	Leads sales consist in sales of leads to other financial institutions as Younited does not cover this segment.	Revenue from “Leads sales” is recognized point in time when the transaction takes place.
Sub-rent income	Income from subletting consists of renting a part of the building that is not used by Younited. As Younited retains substantially all the risks and rewards of the leased asset, the lease can be classified as an operating lease.	Revenue from “Sub-rent income” is recognized over time on the lease duration contract.
Asset management	The group provides asset management services. Such fees are calculated based on a fixed percentage of the value of assets managed.	Revenue from “SPV management” is recognized over time on a straight-line basis as the service is provided

Trade receivables and Contract assets

The timing of income recognition may differ from the timing of customer invoicing. Receivables represent an unconditional right to receive the contractual consideration. On the other hand, contract assets refer to revenue amounts recognized under IFRS 15 ‘Revenue from contracts with customers’ but for which the right to the contractual consideration is not yet acquired. Trade receivables and contract assets are included in the Other assets line item in the consolidated statement of financial position.

9.1 Breakdown by type of service

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
Access to the platform	12,112	7,525
Professional services	1,200	624
Insurance distribution	13,046	18,943
Leads sales	5,986	7,059
Sub-rent income	3,103	2,033
Asset management	4,868	4,323
Other	5,249	2,378
Total Income from other activities	**45,563**	**42,886**

9.2 Trade receivables and contract assets

	As at December 31,	
(in € thousands)	**2024**	**2023**
Trade receivables	15,732	16,044
Contract assets	41,270	48,563

Note 10 Personnel expense

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
Wages and salaries	(25,105)	(25,260)
Social security contributions	(10,928)	(8,480)
Equity-settled share-based expenses[1]	(1,772)	(2,882)
Expenses related to post-employment defined benefit plans	(47)	(45)
Total Personnel Expense	**(37,851)**	**(36,667)**

[1] Equity settled share-based expenses are covered in Note 12.

10.1 Wages and salaries and social security contributions

Salaries and social expenses

Salaries and social expenses include all remuneration paid to employees during the period, together with the related social security contributions. Personnel expenses are recognized in profit or loss as incurred. They include wages, salaries, bonuses, paid leave, and other short-term employee benefits. Social security contributions are recognized based on remuneration incurred and in accordance with the legal and contractual obligations applicable in each jurisdiction where the Group operates. Paid leave and other short-term employee benefits are accounted for using the accrual method and recognized as a liability when they are due but not yet settled at the reporting date.

Wages and salaries expenses amounted to €25,105 thousands for the year ended December 31, 2024 as compared to €25,260 for the year ended December 31, 2023. Social security contributions amounted to €10,928 for the year ended December 31, 2024 as compared to €8,480 for the year ended December 31, 2023.

10.2 Defined benefit plans

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognized for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

The Group's net obligation under its sole defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligation is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognized asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any applicable minimum funding requirements.

Remeasurements of the net defined benefit liability, which comprise actuarial gains and losses, and the effect of the asset ceiling (if any, excluding interest), are recognized immediately in OCI. The Group determines the net interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability, taking into account any changes in the net defined benefit liability during the period as benefit payments. Net interest expense and other expenses related to defined benefit plans are recognized in personnel expenses in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit liability and its components.

(in € thousands)	2024	2023
Evolution of employee benefits liability		
As of January 1	(180)	(109)
Service cost	(47)	(45)
Interest expense	(6)	(4)
Actuarial gains or losses	48	*(22)*
As at December 31	**(185)**	**(180)**
Charge included in consolidated statement of profit or loss		
Service cost	(47)	(45)
Interest expense	(6)	(4)
Expense for the year	**(53)**	**(49)**

Included in other comprehensive income		
Effect of changes in financial assumptions	48	(22)

Actuarial assumptions

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	As at December 31,	
	2024	**2023**
Discount rate	3.4%	3.2%
Future salary growth	5%	5%
Retirement age	65 ans	65 ans
Mortality table	TH/F 00-02	TH/F 00-02

Note 11 Other operating expenses

Other operating expenses

Other operating expenses are recognized in profit or loss when incurred. They include external services, fees, travel expenses, communication costs, office expenses, rental costs (when not accounted for as leases under IFRS 16 'Leases'), insurance premiums, and other operational costs.
Expenses are recorded on an accrual basis, reflecting the consumption of services or the benefit received during the period.

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
General administrative expenses	(33,790)	(31,599)
Software licensing and other IT costs	(1,235)	(2,166)
Other expenses	(1,061)	(632)
Listing expense[1]	(29,934)	-
Total	**(66,020)**	**(34,397)**

[1] *Listing expense is detailed in Note 3.*

Note 12 Share-based payments arrangements

Share-based payments arrangements

In accordance with IFRS 2 'Share-based payment', equity share-based payments are measured at the fair value of the equity instruments granted at the grant date. The fair value is determined using appropriate valuation models, taking into account the terms and conditions of the grant.

The fair value of the share-based payment is recognized as an expense in the income statement over the vesting period when the service or performance conditions are fulfilled, with a corresponding increase in equity. For share-based payments granted to non-employees, the expense is recognized over the period in which the services are rendered or as the Group receives the benefit.

At each reporting date, the Group reassesses its estimates of the number of instruments expected to vest, and any adjustments are recognized in profit or loss over the remaining vesting period.

No expense is recognized for awards that do not ultimately vest, except for awards where vesting is conditional upon a market condition or a non-vesting condition.

Cash-settled share-based payment arrangements, if any, are measured at fair value at each reporting date, with the corresponding liability recognized in the balance sheet and changes in fair value recognized in profit or loss.

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
Management incentive plan	(1,055)	-
Listing expense[1]	(29,934)	-
Management incentive plans prior to the closing	(717)	(2,882)
Total	**(31,706)**	**(2,882)**

[1] *Listing expense is detailed in Note 3*

12.1 Reconciliation of equity-settled share-based payments awards

Below is the reconciliation of the free share awards for the years ended December 31, 2024 and 2023. Fair value is measured at grant date of the instrument.

	2024			2023		
	Number of Awards	Weighted average FV (in €)	Total FV (in € thousand)	Number of Awards	Weighted average FV (in €)	Total FV (in € thousand)
Outstanding at January 1	**57,223**	80.9	**4,630**	**36,352**	262.4	**9,537**
Granted during the year	708,625	3.1	2,225	39,855	1.0	40
Exercised during the year	(25,668)	179.2	(4,599)	(18,598)	260.5	(4,845)
Forfeited during the year	(36,259)	1.0	(36)	(386)	264.3	(102)
Outstanding at December 31	**703,921**	**3.2**	**2,220**	**57,223**	**80.9**	**4,630**

Below is the reconciliation of the option awards for the years ended December 31, 2024 and 2023.

	2024		2023	
	Number of options	Weighted average exercice price	Number of options	Weighted average exercice price
Outstanding at January 1	**133,048**	**194.7**	**134,469**	194.5
Granted during the year	-	-	-	-
Exercised during the year	-	-	(263)	106.4
Forfeited during the year	(133,048)	194.7	(1,158)	192.2
Outstanding at December 31	-	-	**133,048**	**194.7**

12.2 Management incentive plan

The Group has implemented a share-based compensation plan under which eligible employees receive free share awards. A portion of these awards vests 12 months after the grant date without any performance or service conditions, while the remainer consists of Class C Shares. The conversion of Class C Shares into Company Ordinary Shares is contingent on (i) achieving performance market conditions (€10, €13, and €16 for Class C1, Class C2, and Class C3, respectively) within the 36 months post-closing, and (ii) on a service condition as beneficiaries must have been continuously employed at the time the market condition is satisfied.

Under IFRS 2 'Share-based payment' the management incentive plan is classified as an equity-settled share-based payment as settlement occurs in shares of the Company rather than in cash.

The Management Incentive Plan represents a total of 356,784 Company Ordinary Shares and 1,084,892 Class C Shares, of which 160,509 Ordinary Shares and 543,412 Class C Shares (ow. 25% of Class C1, 25% of Class C2 and 50% of Class C3) were granted by the Board of Directors held December 19, 2024. The fair value of the consideration granted by the Board of Directors was determined by an independent valuation specialist at €6.43 per Ordinary Share and €2.81, €2.24, and €1.85 per Class C1, Class C2, and Class C3 Shares, respectively. This results in an overall share-based payment of €2,220 thousand.

The Ordinary Shares are considered fully vested at grant, as no performance or service conditions apply whereas the estimated vesting periods for each Class C Share category have been determined based on the expected time for satisfaction of performance conditions as set out in the workings performed by the independent valuation specialist. The vesting period is estimated at 1.29 years for Class C1 Shares, 1.56 years for Class C2 Shares, and 1.78 years for Class C3 Shares.

	Ordinary Shares	Class C-1	Class C-2	Class C-3
Grant date	12/19/2024	12/19/2024	12/19/2024	12/19/2024
Number of instruments granted	160,509	136,029	136,029	271,354
Number of instruments received	-	-	-	-
Number of instruments forfeited	-	-	-	-
Vesting period (years)	1.00	1.29	1.56	1.78
Conservation period	N/A	N/A	N/A	N/A
Fair value at grant date (€)	6.43	2.81	2.24	1.85

The table below reflect the expense included in the financial statements regarding the plan:

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
Management incentive plan	(1,055)	-
Total	**(1,055)**	**-**

Valuation assumptions used to develop the estimate are detailed below:

	Class C-1	Class C-2	Class C-3
Grant date	12/19/2024	12/19/2024	12/19/2024
Valuation method	Monte Carlo	Monte Carlo	Monte Carlo
Risk free rate (%)	2.30%	2.30%	2.30%
Vesting period (years)	1.29	1.56	1.78
Unlevered volatility (%)	28.70%	28.70%	28.70%

12.3 Management incentive plans granted before the Closing Date

The table below details the plans that were in place at the closing date:

	AGA 2022-1	AGA 2022-2	AGA 2022-3	AGA 2023	AGA 2024
Grant date	1/26/2022	4/28/2022	9/22/2022	11/23/2023	3/29/2024
Number of instruments granted	2,845	12,976	2,175	39,855	4,704
Number of instruments received	2,758	12,535	2,075	8,300	-
Number of instruments forfeited	87	441	100	31,555	4,704
Vesting period (years)	2 years	2 years	2 years	1 year	1 year
Conservation period	-	-	-	1 year	1 year
Fair value at grant date (€)	264.30	264.30	264.30	1.00	1.00

Pursuant to the BCA, these share-based payment plans were cancelled, and all unvested instruments as of the closing date were forfeited. In accordance with IFRS 2 ‘Share-based payment’, such cancellation resulted in the accelerated recognition of the remaining expense, which was fully recognized in the consolidated statement of profit or loss at the cancellation date.

The table below details the plans that were in place as at December 31, 2023:

	AGA 2021	AGA 2022-1	AGA 2022-2	AGA 2022-3	AGA 2023
Grant date	5/03/2021	1/26/2022	4/28/2022	9/22/2022	11/23/2023
Number of instruments granted	21,400	2,845	12,976	2,175	39,855
Number of instruments received	18,598	2,758	12,535	-	-
Number of instruments forfeited	2,802	87	441	100	435
Vesting period (years)	2 years	2 years	2 years	2 years	1 year
Conservation period	-	-	-	-	1 year
Fair value at grant date (€)	260.50	264.30	264.30	264.30	1.00

The table below shows the expense recognized in the financial statements for these plans.

(in € thousands)	Twelve-month period ended December 31, 2024	2023
AGA 2024	(3)	-
AGA 2023	(31)	(4)
AGA 2022-3	(181)	(250)
AGA 2022-2	(479)	(1,490)
AGA 2022-1	(22)	(327)
AGA 2021	-	(812)
Total	**(717)**	**(2,882)**

Note 13 Income taxes

Income tax expense comprises current and deferred tax. It is recognized in profit or loss except to the extent of items recognized directly in equity.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years.

The amount of current tax payable or receivable is the best estimate of the tax amount expected to be paid or received that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted at the reporting date.

Current tax assets and liabilities are offset only if certain criteria are met.

Deferred tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes.

Deferred tax is not recognized for:

- Temporary differences on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss;
- Temporary differences related to investments in subsidiaries to the extent that the Group is able to control the timing of the reversal of the temporary differences and it is probable that they will not reverse in the foreseeable future; and
- Taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Future taxable profits are determined based on the reversal of relevant taxable temporary differences. If the amount of taxable temporary differences is insufficient to recognise a deferred tax asset in full, then future taxable profits, adjusted for reversals of existing temporary differences, are considered, based on business plans for individual branches of the Group.

Unrecognized deferred tax assets are reassessed at each reporting date and recognized to the extent that it has become probable that taxable profits will be available against which they can be used.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted at the reporting date, and reflects uncertainty related to income taxes, if there is any.

The measurement of deferred tax reflects the tax consequences that would follow from the way the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset only if the following criteria are met:

- The entity has a legally enforceable right to offset current tax assets and liabilities;
- The deferred tax assets and liabilities relate to income tax levied by the same tax authority on the same taxable entity, or on different taxable entities which intend to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously in each period in which significant amounts of deferred tax assets or liabilities are expected to be settled or recovered.

13.1 Amounts recognized in profit or loss

	Twelve-month period ended December 31,	
(in € thousands)	**2024**	**2023**
Current year	(466)	(799)
Current tax expense	**(466)**	**(799)**

13.2 Reconciliation of effective tax rate

	As at December 31,	
(in € thousands)	**2024**	**2023**
Loss for the year	**(82,973)**	**(48,881)**
Statutory tax rate in France	25.8%	25.8%
Theoretical income tax benefit (expenses)	**21,407**	**12,623**
Reconciliation between the theoretical tax rate and the effective tax rate		
Effect of tax rates in foreign jurisdictions	521	840
Tax effect of:		
Unrecognized deferred tax assets	(13,741)	(12,719)
Permanent differences	(8,713)	(1,543)
French CVAE	*(211)*	*(284)*
Portugal Taxes	*(255)*	*(515)*
Share-based expenses	*(8,189)*	*(744)*
Other	*2*	
Total income tax expense	**(466)**	**(799)**
Effective tax rate	0.9%	1.6%

13.3 Unrecognized deferred tax assets

	As at December 31,			
	2024		2023	
(in € thousands)	**Gross amount**	**Tax effect**	**Gross amount**	**Tax effect**
Tax losses - France	146,978	37,957	117,696	30,395
Tax losses - Italy	64,850	17,834	46,097	12,677
Tax losses - Spain	40,030	12,009	33,313	9,994
Tax losses - Germany	27,658	8,277	27,658	8,277
Tax losses - Portugal	1,946	409	-	-
Tax losses - Luxembourg	18,668	4,667	-	-
Total	**300,129**	**81,152**	**224,764**	**61,343**

Losses incurred in Luxembourg can be carried forward for up to 17 years, with 2024 being the first year in which losses were recognized in this jurisdiction. In Spain, tax loss carryforwards may be offset within a 30-year period. In all other countries, tax losses can be carried forward indefinitely.

The company is part of a group that is within the scope of the OECD Pillar Two model rules. Pillar Two legislation was enacted in Luxembourg, the jurisdiction in which the company is incorporated, which has come into effect for fiscal years starting on or after December 31, 2023.

Since the Pillar Two legislation was not effective at the closing date of the financial year, the entity has no related current tax exposure. The entity applies the exception to recognizing and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

The company operates branch offices in Italy, Spain and Portugal. Unless each local jurisdiction has enacted its own Qualified Domestic Minimum Top-up Tax in line with the OECD Pillar Two model rules, the associated income will be subject to the Income Inclusion Rule in Luxembourg at the level of the company. At the time of filing, From the countries listed above only Spain has yet to enact Pillar Two legislation, therefore the branch in this jurisdiction will be included in the Luxembourg computation. Based on preliminary estimates there will be no material impact to the entity’s current tax expense in the next financial year.

Note 14 Financial instruments

Recognition and initial measurement

The Group initially recognises loans and advances, deposits, debt securities issued on the date on which they are originated. A financial asset or financial liability is measured initially at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue. The fair value of a financial instrument at initial recognition is generally its transaction price.

Classification

On initial recognition, a financial asset is classified as measured at amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

A debt instrument is measured at FVOCI only if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are SPPI.

All other financial assets are classified as measured at FVTPL.

Financial liabilities are classified into one of the following two categories:

- Financial liabilities at fair value through profit or loss: these are financial liabilities held for trading purposes, which by default include derivative financial liabilities not qualifying as hedging instruments and non-derivative financial liabilities designated by the Group upon initial recognition to be measured at fair value through profit or loss using the fair value option.
- Debts: these include the other non-derivative financial liabilities and are measured at amortised cost.

Business Model

The Group makes an assessment of the objective of a business model in which an asset is held at a portfolio level because this best reflects the way the business is managed, and information is provided to management. The information considered includes:

- The stated policies and objectives for the portfolio and the operation of those policies in practice. In particular, whether management's strategy focuses on earning contractual interest revenue, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of the liabilities that are funding those assets or realising cash flows through the sale of the assets;
- How the performance of the portfolio is evaluated and reported to the Group's management;
- The risks that affect the performance of the business model (and the financial assets held within that business model) and its strategy for how those risks are managed;
- How managers of the business are compensated (e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected); and
- The frequency, volume and timing of sales in prior periods, the reasons for such sales and its expectations about future sales activity. However, information about sales activity is not considered in isolation, but as part of an overall assessment of how the Group's stated objective for managing the financial assets is achieved and how cash flows are realized.

Younited's operations in France and Italy are "held to collect and sell", while operations in the remaining countries follow the "held to collect" business model.

Assessment of whether contractual cashflows are solely payment of principal and interest

For the purposes of this assessment, "principal" is defined as the fair value of the financial asset on initial recognition. "Interest" is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as profit margin.

In assessing whether the contractual cash flows are SPPI, the Group considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making the assessment, the Group considers:

- Contingent events that would change the amount and timing of cash flows;
- Leverage features;
- Prepayment and extension terms;

Cashflow arising from loans and advances to customers, loans and advances to financial institutions, loans and deposits from financial institutions and deposits from deposits holders are SPPI.

Derecognition - Financial assets

See Note 19 below.

Derecognition - Financial liabilities

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The following table provides a reconciliation between line items in the consolidated statement of financial position and categories of financial instruments.

	As at December 31, 2024			
(in € thousands)	**Mandatorily at FVTPL**	**FVOCI - debt instruments**	**Amortised cost**	**Total carrying amount**
Loans and advances to financial institutions	-	-	83,413	**83,413**
Loans and advances to customers	-	458,150	274,888	**733,038**
Financial assets at FVTPL	86,837	-	-	**86,837**
Other assets	-	-	81,870	**81,870**
Total financial assets	**86,837**	**458,150**	**440,171**	**985,158**
Financial liabilities at FVTPL	12,181	-	-	**12,181**
Loans and deposits from financial institutions	-	-	60,611	**60,611**
Deposits from deposit holders	-	-	832,722	**832,722**
Other liabilities	-	-	79,846	**79,846**
Incl. lease liabilities	-	-	*13,005*	***13,005***
Total financial liabilities	**12,181**	**-**	**973,179**	**985,360**

	As at December 31, 2023			
(in € thousands)	Mandatorily at FVTPL	FVOCI - debt instruments	Amortised cost	Total carrying amount
Loans and advances to financial institutions	-	-	73,525	**73,525**
Loans and advances to customers	-	477,287	339,347	**816,634**
Financial assets at FVTPL	135,403	-	-	**135,403**
Other assets	-	-	85,537	**85,537**
Total financial assets	**135,403**	**477,287**	**498,408**	**1,111,098**
Financial liabilities at FVTPL	-	-	-	-
Loans and deposits from financial institutions	-	-	60,033	**60,033**
Deposits from deposit holders	-	-	1,126,252	**1,126,252**
Other liabilities	-	-	68,840	**68,840**
Incl. lease liabilities	-	-	*16,133*	***16,133***
Total financial liabilities	**-**	**-**	**1,255,125**	**1,255,125**

14.1 Cash, due from central banks and loans and advances to financial institutions

	As at December 31,	
(in € thousands)	**2024**	**2023**
Cash, due from central banks	193,433	236,756
Loans and advances to financial institutions	83,413	73,525
Total cash, due from central banks and loans and advances to financial institutions	**276,846**	**310,281**

14.2 Loans and advances to customers

The “loans and advances to customers” line item in the consolidated statement of financial position includes:

- Loans and advances measured at amortised cost, including the effect on the income statement of the effective interest method and the ECL model; and
- Loans and advances measured at FVOCI.

	As of December 31,	
(in € thousands)	**2024**	**2023**
Loans and advances to customers at amortised cost	371,409	446,021
Impairment loss allowance	(96,522)	(106,674)
Net carrying loans and advances to customers at amortised cost	**274,888**	**339,347**
Loans and advances to customers at FVOCI	552,482	632,289
Impairment loss allowance	(103,794)	(156,192)
Fair value Adjustement	9,461	1,190
Net carrying loans and advances to customers at FVOCI	**458,150**	**477,287**

Total loans and advances to customers	**733,038**	**816,634**

14.3 Financial assets at FVTPL

Financial assets at FVTPL comprise shares in SPV shares and HQLA and are stated below:

	As at December 31,	
(in € thousands)	**2024**	**2023**
SPV shares	58,125	107,519
HQLA	28,712	27,728
Total	**86,837**	**135,247**

14.4 Other assets

	As at December 31,	
(in € thousands)	**2024**	**2023**
Trade receivable and prepayments	20,898	22,048
Contract assets	41,270	48,563
Restricted deposits with central banks	4,694	3,432
Tax receivables	13,957	10,759
Other	1,052	734
Total	**81,870**	**85,537**

Accounting principles related to accounts receivable, and prepayments and contract assets are described in Note 9.

14.5 Financial liabilities at FVTPL

Financial liabilities at FVTPL consist of public warrants and sponsor warrants.

	As at December 31,	
(in € thousands)	**2024**	**2023**
Public warrants liabilities measured at FVTPL	5,883	-
Sponsor warrants liabilities measured at FVTPL	6,298	-
Total	**12,181**	**-**

Public and Sponsor Warrants do not meet the fixed-for-fixed criterion and as such are classified as financial liabilities at FVTPL following the business combination. Further description of the warrants terms and conditions is provided in Note 17.

14.6 Loans and deposits from financial institutions

Loans and deposits from financial institutions consist of a collateralised credit line with Natixis.

	As at December 31,	
(in € thousands)	**2024**	**2023**
Loans and deposits from financial institutions	60,611	60,033
Total	**60,611**	**60,033**

14.7 Deposits from deposit holders

Deposits from customers only consist of fixed-maturity (from 1 up to 5 years) and fixed-rate term deposits raised from retail customers. They are recognized at amortised cost.

	As at December 31,	
(in € thousands)	**2024**	**2023**
Deposits from deposit holders	832,722	1,126,252
Total	**832,722**	**1,126,252**

14.8 Other liabilities

	As at December 31,	
(in € thousands)	**2024**	**2023**
Lease liabilities	13,005	16,133
Short-term employee benefits	8,851	7,974
Trade payables and other creditors	36,486	14,814
Tax liabilities	1,163	1,774
Other	20,341	28,145
Total other liabilities	**79,846**	**68,840**

The "Other" line item mainly includes premiums collected on behalf of the insurance company and debts corresponding to cash received from securitised loans and to be paid to the securitisation funds.

14.8.1 *Lease liabilities*

The movements in lease liabilities as at December 31, 2024 were as follow:

(in € thousands)	**Total**
Balance at January 1, 2023	**17,943**
Additions	656
Rent indexation	1,040
Repayment of lease liabilities	(3,506)
Balance at December 31, 2023	**16,133**
Additions	-
Rent indexation	609
Repayment of lease liabilities	(3,737)
Balance at December 31, 2024	**13,005**

The breakdown of lease maturity as at December 31, 2024 is detailed in the table below:

	As at December 31,	
(in € thousands)	**2024**	**2023**
Less than one year	3,698	3,667
Between one and five years	9,307	12,455
More than five years	-	11
Total	**13,005**	**16,133**

For the year ended December 31, 2024 and December 31, 2023, interest expenses for lease amounted €222 thousand, and €264 thousand, respectively.

Note 15 Property and equipment

Property and equipment

Property and equipment consist of tangible assets used for administrative purposes (IT equipments, fixtures and fittings).

At their acquisition date, tangible assets are recognized at the transaction price plus costs directly attributable to the acquisition (transfer rights, fees) and any necessary costs to bring them into working condition for use.

After initial recognition, tangible assets are valued at cost less accumulated depreciation and any impairment. The amortisable value of a tangible asset corresponds to the cost less its residual value in the case where this is significant.

Assets are amortised on a straight-line basis over the asset's expected useful life to the Group.

Fixtures and fitting are amortised over 3 to 10 years, and IT equipment over 3 years.

Leases

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The Group recognises a right-of-use asset and a lease liability at the lease commencement date.

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove any improvements made to branches or office premises.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term. In addition, the right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group’s incremental borrowing rate. Generally, the Group uses its incremental borrowing rate as the discount rate. The Group determines its incremental borrowing rate by analysing its borrowings from various external sources and makes certain adjustments to reflect the terms of the lease and type of asset leased.

Lease payments included in the measurement of the lease liability comprise the following:
- fixed payments, including in-substance fixed payments;
- variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
- amounts expected to be payable under a residual value guarantee; and
- the exercise price under a purchase option that the Group is reasonably certain to exercise, lease payments in an optional renewal period if the Group is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Group is reasonably certain not to terminate early.

The lease liability is measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Group’s estimate of the amount expected to be payable under a residual value guarantee, if the Group changes its assessment of whether it will exercise a purchase, extension or termination option or if there is a revised in-substance fixed lease payment.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero.

The Group presents right-of-use assets in ‘property and equipment’ and lease liabilities in ‘other liabilities’ in the consolidated statement of financial position.

Short-term leases and leases of low-value assets

The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases, including leases of IT equipment. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.

The Group leases several office premises and mainly for its headquarters located in Paris for an initial term of 9 years. Some leases provide for additional rent payments that are based on changes in local price indices.

The Group also leases IT equipment with contract terms of one to three years. These leases are short-term and/or leases of low-value items. The Group has elected not to recognise right-of-use assets and lease liabilities for these leases.

	Right of Use		IT equipment		Fixtures and fittings		
(in € thousands)	Gross Value	Accumulated depreciation	Gross Value	Accumulated depreciation	Gross Value	Accumulated depreciation	Gross Value
Balance at January 1, 2023	**24,714**	**(9,896)**	**805**	**(730)**	**2,533**	**(1,267)**	**16,159**
Additions	1,644		5		47		1,696
Disposals			-	-	-	-	-
Depreciation for the year		(3,060)	-	(38)	-	(189)	(3,287)
Impairment loss			-	-	-	-	-
Balance at December 31, 2023	**26,358**	**(12,956)**	**810**	**(768)**	**2,580**	**(1,456)**	**14,568**
Additions	570				83		653
Disposals			(17)				(17)
Depreciation for the year		(3,259)		(16)		(188)	(3,464)
Impairment loss							-
Balance at December 31, 2024	**26,928**	**(16,215)**	**793**	**(784)**	**2,663**	**(1,644)**	**11,740**

For the twelve-months period ended December 31, 2024 and December 31, 2023, the exempted lease liabilities amounted to €566 thousand and €903 thousand respectively, and are mainly low-value contracts.

Note 16 Intangible assets

Software acquired by the Group is measured at cost less accumulated amortisation and any accumulated impairment losses.

Expenditure on internally developed software is recognized as an asset when the Group is able to demonstrate:

- that the product is technically and commercially feasible,
- its intention and ability to complete the development and use the software in a manner that will generate future economic benefits,
- and that it can reliably measure the costs to complete the development.

The capitalised costs of internally developed software include all costs directly attributable to developing the software and capitalised borrowing costs and are amortised over its useful life. Internally developed software is stated at capitalised cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure on software assets is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as it is incurred.

Software is amortised on a straight-line basis in profit or loss over its estimated useful life, from the date on which it is available for use. The estimated useful life of software for the current and comparative periods is three to five years.

	Purchased software		Developed software		
(in € thousands)	Gross Value	Accumulated depreciation	Gross Value	Accumulated depreciation	Total
Balance at January 1, 2023	**2,358**	**(720)**	**69,375**	**(41,206)**	**29,806**
Additions	537	-	24,575	-	25,112
Disposals	-	-	-	-	-
Amortization for the year	-	-	-	(18,367)	(18,367)
Impairment loss	-	-	-	-	-
Balance at December 31, 2023	**2,895**	**(720)**	**93,950**	**(59,572)**	**36,552**
Additions	115	-	21,181	-	21,296
Disposals	-	-	-	-	-
Amortization for the year	-	-	-	(23,731)	(23,731)
Impairment loss	-	-	-	-	-
Balance at December 31, 2024	**3,010**	**(720)**	**115,131**	**(83,304)**	**34,117**

Note 17 Equity

Share capital and share premium

Share capital corresponds to the nominal value of the shares issued by the Group. Share premium represents the excess of the proceeds received over the nominal value of the shares issued, net of directly attributable transaction costs.

Reserves and retained earnings

Reserves include statutory and regulatory reserves. They also include the capital reorganization reserve, which results from reverse acquisition accounting. This reserve reflects the adjustments made to restate the share capital and share premium of the legal acquiree to align with the capital structure of the legal acquirer and also absorbs the retained earnings and the result of the legal acquirer prior to the business combination. Furthermore, they include share-based payment reserves which reflect accumulated share-based compensations settled in equity in accordance with IFRS 2. Retained earnings correspond to the cumulative net results of the Group not distributed as dividends and include prior years' profits and losses of the accounting acquirer.

Other equity instruments

Other equity instruments include financial instruments issued by the Group that meet the definition of equity under IAS 32 Financial Instruments: Presentation and do not give rise to any contractual obligation to deliver cash or other financial assets. These instruments are recognized in equity at the proceeds received, net of directly attributable transaction costs, and are not subsequently remeasured.

Treasury shares

In the case of buybacks of equity instruments (e.g., treasury shares), the Group reduces equity by the amount paid for the shares, including any directly attributable costs. These repurchased shares are held in treasury and are not considered outstanding for earnings per share ('EPS') calculations.

17.1 Share capital and share premium

The transaction between the Company and Younited has been accounted for as a reverse acquisition, in accordance with IFRS 2 'Share-based payment' and IFRS 3 'Business combinations', given that the legal acquirer does not meet the definition of a business under IFRS 3 (cf. Note 3).

As a result (i) the equity presented in the consolidated financial statements before the Closing Date corresponds to the equity of the accounting acquirer (the legal acquiree), adjusted to reflect the share capital structure of the legal acquirer (the listed entity), (ii) the share capital and share premium are retrospectively restated as if the shares issued by the legal acquirer at the date of the transaction had always been in issue and (iii) the number of shares presented has been restated using the exchange ratio applied in the business combination, in order to reflect the capital structure of the legal acquirer.

The tables below give details of changes in the number of shares for year ended December 31, 2024 and 2023 respectively:

	2024			2023		
(in € thousands)	Number of shares	Share capital	Share premium	Number of shares	Share capital	Share premium
In issue at January 1	23,757,279	272.8	181,260	22,860,492	262.5	174,418
Issued for cash	21,370,385	414.6	156,797	666,615	7.7	5,086
Exercise of share options	303,960	3.5	2,319	230,172	2.6	1,756
In issue at December 31 - fully paid	**45,431,624**	**690.9**	**340,376**	**23,757,279**	**272.8**	**181,260**

Operations for the year ended December 31, 2024

December 20, 2024, pursuant to the Business Combination agreement the Company completed a share capital increase of €152.5 million issuing 20,756,593 Ordinary Shares resulting in an increase of share capital and share premium of €407 thousand and €152.1 million respectively.

The number of shares issued or cancelled, along with the related impacts on share capital and share premium from transactions completed prior to the closing of the Business Combination, have been retrospectively restated to reflect the Company's equity structure as described in Note 3.

April 24, 2024, the Group completed a share capital increase, generating net proceeds of €26.1 million. This resulted in the issuance of 613,792 Ordinary shares, leading to an increase of €7.1 thousand in share capital and €4.7 million in share premium. The remaining balance was allocated to Reserves and retained earnings, under the capital reorganization line item in the consolidated statement of changes in equity.

The vesting of free shares and the exercise of warrants during the period led to the issuance of 303,960 new Ordinary Shares, resulting in an increase of €3.5 thousand in share capital and €2.3 million in share premium. The difference between the net proceeds and the above restated share capital and share premium was allocated to Reserves and retained earnings, under the capital reorganization line item in the consolidated statement of changes in equity.

Operations for the year ended December 31, 2023

June 23, 2023, the Group completed a share capital increase, generating net proceeds of €28.3 million. This resulted in the issuance of 666,615 Ordinary shares, leading to an increase of €7.7 thousand in share capital and €5.1 million in share premium. The remaining balance was allocated to Reserves and retained earnings, under the capital reorganization line item in the consolidated statement of changes in equity.

The vesting of free shares and the exercise of warrants during the period led to the issuance of 230,172 new Ordinary Shares, resulting in an increase of €2.64 thousand in share capital and €1.8 million in share premium. The difference between the net proceeds and the above restated share capital and share premium was allocated to Reserves and retained earnings, under the capital reorganization line item in the consolidated statement of changes in equity.

17.2 Capital instruments

The movements in issued capital instruments as at December 31, 2024 were as follow:

Description	Ordinary shares	Class B	Class C	Public warrants	Sponsor warrants	Other warrants
As of January 1, 2023	**22,860,492**	**-**	**-**	**7,666,667**	**7,000,000**	**134,469**
Issued instrument	896,787	-	-	-	-	-
Cancellation	-	-	-	-	-	(1,421)
As of January 1, 2024	**23,757,279**	**-**	**-**	**7,666,667**	**7,000,000**	**133,048**
Issued instrument	22,570,532	3,655,219	1,515,193	-	2,000,000	-
Cancellation	(896,187)	-	-	(7)	-	(133,048)
As at December 31, 2024	**45,431,624**	**3,655,219**	**1,515,193**	**7,666,660**	**9,000,000**	**-**

At December 31, 2024, a total of 20,000,000 Ordinary Shares were held in treasury.

17.2.1 *Preference Class B Shares*

Pursuant to the shareholders' earnout provisions included in the Business Combination Agreement, the sellers of Younited received 3,656,405 Class B Shares (including 1,186 Class B Shares to be issued upon completion of the drag-along provisions).

At the Closing Date, Sponsor delivered Ordinary Shares in escrow. On the date that is the third anniversary of the Closing Date, if, following the Closing Date and prior to the third anniversary of the Closing Date, (i) the Sellers have not transferred, sold or otherwise disposed of, in the aggregate, 30% or more of the aggregate Ordinary Shares as of the Closing Date and (ii) the 90-day volume-weighted average sale price of one Ordinary Share quoted on Euronext Amsterdam or Euronext Paris (or the exchange on which the Ordinary Shares are then listed) has not been greater than or equal to €16.00, as additional consideration for the Younited Shares acquired in connection with the Business Combination, then (x) all Company Class B Shares will be converted into Ordinary Shares and (y) if (and only if) (A) the Company Board in its sole discretion so determines and approves and (B) the Company has received all applicable regulatory approvals, the Company and Sponsor transfer the Sponsor Escrowed Shares to the Company for no consideration and subsequently at the discretion of the Company Board such shares may be canceled (unless the Sponsor consents otherwise) (provided that, with respect to any such approval of the Company Board, any Directors that are affiliates of the Sponsor, or that were elected by the shareholder meeting upon the proposal of Sponsor, will recuse themselves). If, prior to the third anniversary of the Closing Date, either of the events set forth in the immediately preceding clauses (i) or (ii) have occurred, the Company, upon the approval and direction of the Company Board, and Sponsor, will release the Sponsor Escrowed Shares to Sponsor and if, and only if (i) the Company Board in its sole discretion so determines and approves and (ii) the Company has received all applicable regulatory approvals, all Company Class B Shares will be acquired by the Company for no consideration and subsequently be canceled (provided that, with respect to the approval of the Company Board, any Directors that are affiliates of a holder of Company Class B Shares or that were elected at a shareholder meeting upon the proposal of a holder of Company Class B Shares at such shareholder meeting will recuse themselves).

In other words, on the third anniversary of the closing, if the Sellers (i) have not transferred, sold, or disposed of at least 30% of the Company's Ordinary Shares they hold as at closing date, and (ii) the 90-day volume-weighted average quoted price of one Company Ordinary Share has not reached or exceeded €16.00, all Company Class B Shares will convert into Ordinary Shares as additional consideration for the Younited Shares contributed to the Company whereas Company's Ordinary Shares held in escrow by the Sponsor would be transferred to the Company for no consideration. Alternatively, all Company Class B Shares will be transferred to the Company and canceled for no consideration, while the Company's Ordinary Shares held in escrow by the Sponsor will be released.

The economics of the 'shareholders earnout' consist of a share exchange for a fixed percentage of shares of the Company between two categories of shareholders of the Company. This occurs in one of two ways: (i) Class B shares are converted, and the ordinary shares held in escrow are transferred to the Company without consideration, or (ii) Class B shares are transferred to the Company without consideration, and the ordinary shares held in escrow are released. In both scenarios, a fixed portion of the Company's capital is exchanged in one way or another between the historical shareholders of the Company and the sellers.

17.2.2 *Public and Sponsor Warrants*

Each whole Warrant entitles the registered holder to purchase one Ordinary Share at an exercise price of €10.9451 per share in relation to the Public Warrants and an exercise price of €11.4210 per share in relation to the Sponsor Warrants, subject to the adjustments described in the warrants terms and conditions, at any time commencing thirty days after the Closing, except as discussed below.

The Sponsor Warrants may also be exercised on a cashless basis for a number of Ordinary Shares equal to the quotient obtained by dividing (x) the product of the number of Ordinary Shares underlying the Sponsor Warrants, multiplied by the excess of the Fair Market Value (as defined below) over the Exercise Price of the Sponsor Warrants by (y) the average reported closing price of the Ordinary Shares for the ten-trading days ending on the third trading day prior to the date on which the notice of warrant exercise is sent to the Warrant Agent.

Once the Public Warrants become exercisable and depending on the fair market value of the underlying Ordinary shares the Company may redeem all outstanding Public Warrants upon a minimum of thirty calendar days' notice. Beginning on the date the notice of redemption is given and until the Public Warrants are redeemed or exercised, Public Warrant Holders may elect to exercise their Public Warrants on a cashless basis. The number of Ordinary Shares that Public Warrant Holders will receive upon such cashless exercise in connection with a redemption by the Company pursuant to this redemption feature is based on the Redemption Fair Market Value of the underlying Ordinary Shares on the corresponding redemption Date.

The Warrants expire five years after the Closing or earlier upon redemption of the Warrants or liquidation of the Company.

The Sponsor owns an aggregate of 7,000,000 Sponsor Warrants, each exercisable to purchase one Ordinary Share at €11.4210 per Public Share. At the Closing Date, $2 million of loans made available from the Sponsor or its affiliates pursuant to a promissory note with the Company converted into Sponsor Warrants at a price of $1.00 per warrant, which resulted in an additional 2,000,000 Sponsor Warrants.

Except as described in this paragraph, the Sponsor Warrants have terms and provisions that are identical to those of the Public Warrants. The Sponsor Warrants (including the Ordinary Shares issuable upon exercise of the Sponsor Warrants) are not transferable, assignable or salable until thirty days after the Closing Date (except pursuant to limited exceptions as described below to the Company's Board and other persons or entities affiliated with the Sponsor) and they are not redeemable by the Company so long as they are held by the Sponsor or its permitted transferees. If the Sponsor Warrants are held by holders other than the Sponsor or its permitted transferees, the Sponsor Warrants will be redeemable by the Company in all redemption scenarios and exercisable by the holders on the same basis as the Public Warrants.

17.3 Dividends

No dividend has been approved for the years ended December 31, 2024 and December 31, 2023 respectively.

Note 18 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to attributable to owners of the Group by the weighted average number of ordinary shares outstanding during the period, excluding treasury shares. The net profit attributable to ordinary shareholders is adjusted for the rights to remuneration of preferred shareholders such as holders of preference shares or subordinated or super subordinated securities classified as equity. Diluted earnings per share reflect the potential dilution that could arise in the event of the conversion of dilutive instruments into ordinary shares. This takes account of the dilutive effect of option plans and plans for the allocation of free shares.

	As at December 31,	
	2024	**2023**
Numerator (in € thousands)		
Profit (loss) for the year (a)	(83,439)	(49,679)
Denominator		
Weighted-average number of ordinary shares on the period (b)	24,948,047	23,249,939
Basic earnings per share (in €) (a/b)	**(3.34)**	**(2.14)**
Average number of ordinary shares used in the dilution calculation (c)	24,948,047	23,249,939
Diluted earnings per share (in €) (a/c)	**(3.34)**	**(2.14)**

The potentially dilutive instruments, which have not been included in the calculation of diluted shares because they would be anti-dilutive according to IAS 33.41, are presented in Note 17.

Note 19 Securitisation operations

Derecognition - Financial assets

In accordance with IFRS 9 'Financial instruments' par.3.2.1, the Group assesses the nature of the control it exercises over the securitisation vehicles to which it transfers financial instruments and consolidates them where appropriate in accordance with IFRS 10 'Consolidated financial statements'.

The Group derecognises all or part of a financial asset when the contractual rights to the asset's cash flows expire, or when it transfers the asset on the basis of a transfer of the contractual rights to its cash flows as well as substantially all the risks and rewards of the asset.

On derecognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset derecognized) and the sum of (i) the consideration received (including any new asset obtained less any new liability assumed) and (ii) any cumulative gain or loss that had been recognized in OCI is recognized in profit or loss.

The Group does not consolidate any of the securitisation vehicles in which it holds an interest, either because of their immaterial nature or duration, or because it has no power over the relevant activities. The Group perform various services on behalf of the securitisation vehicles solely as an agent as the Group is subject to a substantive right of revocation as defined by IFRS 10 'Consolidated financial statements'.

Securitisations of loans to customers by the Group are accompanied by the transfer of all the risks and rewards associated with these loans and as such result in their derecognition.

The securitisations provide the Group with financing leverage and also enable the Group to generate income from the sale of loans and from services provided on behalf of the securitisation vehicles. The securitisation vehicles are financed by the issuance of single-tranche units to investors. When the Group subscribes to units, they are recognized as financial assets at FVTPL (see Note 14).

The table below shows the total amount outstanding in the securitisation funds and the interest retained in these funds by the Group at each balance sheet date.

(in € thousands)	**2024**	**2023**
Securitisation vehicles total asset	1,674,059	1,658,502
Carrying amount of SPV shares on the Group balance sheet	58,125	107,519
Servicing fees invoiced to SPVs	4,868	4,323

For year ended 31 December 2024 and 2023, the Group recognized a net gain of €2,898 thousands and a net loss of €5,318 thousand, respectively from loans to customers securitisation operations.

Note 20 Provisions

Provisions are recognized when the Group has a present obligation, whether legal or constructive, resulting from a past event, and it is probable that an outflow of economic resources will be required to settle the obligation, with the amount reliably estimable.

Provisions are measured at the best estimate of the expenditure required to settle the obligation at the reporting date. Where the effect of the time value of money is material, provisions are discounted using a rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The unwinding of the discount is recognized in profit or loss as a financial expense.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources will be required to settle the obligation, the provision is reversed.

	As at December 31,	
(in € thousands)	**2024**	**2023**
Balance at January 1	**466**	**214**
Provisions made during the year	149	258
Provisions reversed during the year	-	(6)
Balance at December 31	**615**	**466**

Contingencies mainly refer to customer-related disputes in Spain and Italy or employee-related ones.

As at December 31, 2024, and 2023, the Group was not aware of any significant contingent liabilities. To the best of the group’s knowledge, the Group is not engaged in any legal proceedings that could have a material adverse effect on its financial position other than those for which a provision has been made.

Note 21 Related parties

A related party is a person or entity that is related to the Group as defined by IAS 24 Related Party Disclosures.

The Group recognises related party transactions in accordance with IAS 24, which defines related parties as follows: (i) a person or close family member of a person is considered a related party when that person has control, joint control, or significant influence over the Group, or is a member of the key management personnel of the Group, (ii) an entity is considered a related party if the Group and the entity are members of the same group (i.e., parent, subsidiaries, and fellow subsidiaries), or if one of the parties has control, joint control, or significant influence over the other.

Transactions with related parties include, but are not limited to, sales, purchases, loans, and other transactions that involve the transfer of resources, services, or obligations between the Group and the related party.

The Group discloses the nature of related party relationships, as well as any material transactions and outstanding balances with related parties, in the financial statements. Transactions are disclosed in the financial statements where they are considered to be material, and the terms and conditions of these transactions are disclosed if they are not conducted at arm's length.

According to IAS 24, related parties include Key Management Personnel and members of the Board of Directors.

21.1 Transactions with members of the Board of Directors

All transactions with related parties were conducted on an arm’s length basis, in accordance with prevailing market terms and conditions at the time of execution.

21.1.1 *Backstop Agreement*

On October 7, 2024, the Company entered into a Backstop Agreement with the Sponsor and SRP Management, under which they committed to subscribe for and purchase Public Shares in connection with the Business Combination at a per-share price equivalent to $10.00 in euros. This resulted in a capital increase of €82,2 million of the overall €152.5 million increase in capital.

21.1.2 *Master Services Agreement between Younited SA and Bpifrance*

To support its ongoing collaboration with Bpifrance on various online loan projects for SMEs, Younited entered into a Master Services Agreement in May 2021, which was amended in January 2024. This agreement, retroactively effective from April 1, 2020, has an initial five-year term, with automatic annual renewal unless terminated. It governs the services provided by Younited, with fees determined based on loan size, unless otherwise specified in supplementary application agreements.

In June 2023, an Application Agreement was added, covering loan management services for several French administrative regions aimed at supporting companies facing temporary difficulties.

Since Bpifrance is a member of Younited’s Board of Directors, the Master Services Agreement, the Application Agreement and the Amendment were approved by Younited’s Supervisory Board on 29 April 2021, 20 April 2023 and 21 December 2023, respectively.

For the years ended December 31, 2024 and December 31, 2023 revenue from this Service Agreement amounted to €5,543 thousand and €3,569 thousand, respectively.

21.1.3 *Transfer of Shares to non-executive directors and advisers.*

In line with governance and incentive mechanisms, the Sponsor agreed to transfer 20,000 Public Shares to each of the non-executive members of the Company’s Board of Directors, all of whom qualify as independent under the Dutch Corporate Governance Code, as well as to each of the Advisers. In total, 120,000 Public Shares were transferred upon the completion of the Business Combination.

21.2 Transactions with Key Management Personnel

21.2.1 *Compensation to Key Management Personnel*

Compensation of the Key Management Personnel is provided in the table below:

	As at December 31,	
(in € thousands)	2024	2023
Short-term employee benefits	454	798
Share-based payments	280	749
Total	**734**	**1,547**

In 2023, the Key Management Personnel were the CEO, Deputy CEO, and CFO of Younited SA, whereas in 2024, the Key Management Personnel include the CEO and the Deputy CEO of Younited Group.

21.2.2 *Put option on a management earnout*

Pursuant to the Business Combination agreement, the Company entered a put/call arrangement with managers of Younited upon completion of which their remaining Younited shares will be contributed to the Company in exchange for Ordinary shares and Class C shares of the Company. The put option is to be exercised by the beneficiaries within 15 days following the first anniversary of the Closing Date, provided they have remained continuously employed by the Company or its subsidiaries. If exercised, all Younited shares held by the managers, will be exchanged for Ordinary Shares and Class C Shares of the Company, for an equal fair value as determined at closing by an independent valuation specialist. Alternatively, the call option gives the Company the right to acquire the remaining Younited shares only if the put option has expired unexercised. This resulted in an increase in Retained Earnings and other reserves of which €3,684 thousand relate to Key Management Personnel of the Group.

Note 22 Auditor's fees

(in € thousands)	2024	2023
Statutory audit of the financial statement	(318)	(222)
Other assurance services	(433)	-
Non Audit Services	(132)	(5)
Total	**(882)**	**(227)**

Note 23 Off balance sheet

Off-balance sheet items are not recognized in the consolidated balance sheet, but are disclosed in the notes to the financial statements. These include obligations, commitments, and contingencies that, under IFRS Accounting standards, do not meet the criteria for recognition as assets or liabilities.

The Group discloses off-balance sheet arrangements, including guarantees, leases, joint ventures, and other commitments, where the Group has either a potential or future obligation that is not yet recognized on the balance sheet. These items are disclosed to provide users with a clear understanding of the Group's potential financial risks and obligations.

As at December 31,

(in € thousands)	2024	2023
Financing commitments	14,669	9,491
Given commitments	**14,669**	**9,491**
Financing commitments	74,480	55,010
Received commitments	**74,480**	**55,010**

The financing commitments given corresponds to loans granted during the last week before the closing, for which the withdrawal period is maximum 7 days. Given the short duration of these commitments ECL are not significant.

Financing commitments received consist of financing commitments from financial institutions

Note 24 Financial risk management

The Group has exposure to the following risks from financial instruments:

- Credit risk;
- Liquidity risk;
- Market risks; and
- Operational risk.

The Board of Directors is assisted by four committees:

- The Remuneration Committee
- The Risk Management Committee
- The Audit Committee
- The Disclosure Committee

This note presents information about the Group's objectives, policies, and processes for measuring and managing risk.

24.1 Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The Board of Directors has established the Risk Committee, which is responsible for approving and monitoring Group risk management policies.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, to set appropriate risk limits and controls, and to monitor risks and adherence to limits. The risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Group's activities. The Group, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment in which all employees understand their roles and obligations.

The Company's Audit Committee oversees how management monitors compliance with the Group's risk management policies and procedures and reviews the adequacy of the risk management framework in relation to the risks faced by the Group. The Company's Audit Committee is assisted in its oversight role by Internal Audit, which provides independent assurance on the effectiveness of the risk management framework. Internal Audit undertakes both regular and ad hoc reviews of risk management controls and procedures, the results of which are reported to the Company's Audit Committee.

24.2 Credit risk

‘Credit risk’ refers to the risk of financial loss for the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. This primarily arises from the Group’s loans and advances to customers and investment debt securities. For risk management purposes, the Group consolidates all elements of credit risk exposure, including individual obligor default risk, country risk, and sector risk.

The probability of default of financial institutions counterparties is deemed negligible as at December 31, 2024, as indicated by the credit ratings presented in the table below:

	S&P	Moody's	Fitch
European Central Bank	AAA	-	AAA
ABN	A	Aa3	A+
Crédit Mutuel Arkea	-	A1	AA-
Intesa	BBB	Baa1	BBB
BNP	A+	A1	AA-
Société Générale	A	A1	A
Natixis (BPCE Group)	A+	A1	A+
La Banque Postale	A	A2	A
BBVA	A	A3	A-
Banque Populaire	A+	-	A
Banco Posta	BBB	Baa3	-

Management of credit risk

The Company’s Risk Committee is responsible for overseeing and managing the Group’s credit risk, ensuring that it aligns with the Group’s risk appetite and overall risk management framework. Key responsibilities of the Risk Committee in relation to credit risk include:

- *Formulating credit policies* in consultation with business units, covering credit assessment, risk grading and reporting, documentary and legal procedures, and compliance with regulatory and statutory requirements.
- *Limiting concentrations of exposure* to counterparties, geographies, and credit rating bands to ensure diversification and mitigate systemic risks.
- *Developing and maintaining the Group’s risk grading framework*, which categorises exposures according to the degree of risk of default. The current risk grading framework consists of 7 grades, reflecting varying degrees of default risk. These grades are subject to regular reviews by Group Risk to ensure their effectiveness.
- *Developing and maintaining the Group’s processes* for measuring Expected Credit Loss (ECL), including:
    - Initial approval, regular validation, and back-testing of the models used for measuring credit risk.
    - Determining and monitoring significant increases in credit risk.
    - Incorporation of forward-looking information in the credit risk models.
- *Reviewing quarterly reports* on credit quality, ECL allowances, and potential breaches of material risk limits that may impact the Group’s financial health.
- *Providing advice and specialist guidance* to business units to ensure adherence to best practices in credit risk management and maintain a disciplined approach across the Group.

Each business unit is required to implement the Group’s credit policies and procedures, with credit approval authorities delegated from the Risk Committee. Each business unit appoints a Chief Credit Risk Officer, who is responsible for reporting on all credit-related matters to both local management and the Risk Committee. Business units are accountable for the quality and performance of their credit portfolios, as well as for monitoring and controlling all credit risks within those portfolios, including those subject to central approval. The Risk Committee provides oversight to ensure that credit risk management aligns with the Group’s overall risk appetite and governance framework.

24.3 Liquidity risk

'Liquidity risk' is the risk that the Group will encounter difficulty in meeting obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. Liquidity risk arises from mismatches in the timing and amounts of cash flows, which is inherent to the Group's operations and investments.

Management of liquidity risk

The Group's Management Team, in coordination with the Company's Risk Committee, is responsible for managing liquidity risk and ensuring the implementation of the Group's liquidity management framework. The Risk Committee approves the liquidity policies and procedures developed by the Central Treasury department to guide the Group's liquidity risk management strategy.

Central Treasury manages the Group's liquidity position on a day-to-day basis and reviews daily reports covering the liquidity position of both the Group and operating foreign branches. A summary report, including any exceptions and remedial action taken, is submitted to the Company's Risk Committee or ad hoc when predefined thresholds are breached.

The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation. The key elements of the Group's liquidity strategy are as follows:

- Maintaining a diversified funding base consisting of deposits and maintaining contingency facilities.
- Carrying a portfolio of highly liquid assets, diversified by counterparty risk and maturity.
- Monitoring maturity mismatches, behavioural characteristics of the Group's financial assets and financial liabilities, and the extent to which the Group's assets are encumbered and so not available as potential collateral for obtaining funding.
- Conducting regular liquidity stress testing under various scenarios covering both normal and adverse market conditions.

Central Treasury receives information from other business units regarding the liquidity profile of their financial assets and financial liabilities and details of other projected cash flows arising from projected future business. Central Treasury then maintains a portfolio of short-term liquid assets, largely made up of short-term liquid investment securities, loans and advances to banks and other inter-bank facilities, to ensure that sufficient liquidity is maintained within the Group as a whole.

Regular liquidity stress testing is conducted under a variety of scenarios covering both normal and more severe market conditions. The scenarios are developed considering both Group specific events (e.g. a rating downgrade) and market-related events (e.g. prolonged market illiquidity, reduced fungibility of currencies, natural disasters, or other catastrophes).

24.4 Market risk

'Market risk' is the risk that changes in market prices – e.g. interest rates, equity prices, and credit spreads (not relating to changes in the obligor's/issuer's credit standing) – will affect the Group's income or the value of its holdings of financial instruments. The objective of the Group's market risk management is to manage and control market risk exposures within acceptable parameters to ensure the Group's solvency while optimising the return on risk.

Management of market risks

Interest rate risk

The principal risk for non-trading portfolios is the potential loss from fluctuations in future cash flows or the fair value of financial instruments due to changes in market interest rates. This risk is primarily managed through portfolio sales. The Risk Committee oversees interest rate risk management and the Group's collect-and-sell strategy, ensuring alignment with the Group's risk appetite and governance framework. Central Treasury supports daily monitoring of interest rate exposures, including outstanding and forecast debt obligations, and executes portfolio sale transactions in line with approved policies and market conditions.

Currency risk

The Group does not have operation in foreign currency and thus is not affected by currency risk as it operates solely in euro.

Equity price risk

Equity price risk is subject to regular monitoring by Group Market Risk but is not currently significant in relation to the Group's overall results and financial position.

24.5 Operational risk

'Operational risk' is the risk of direct or indirect loss arising from a wide variety of causes associated with the Group's processes, personnel, technology, and infrastructure, and from external factors other than credit, market and liquidity risks – e.g. those arising from legal and regulatory requirements and generally accepted standards of corporate behaviour. Operational risks arise from all the Group's operations.

The Group's objective is to manage operational risk so as to balance the avoidance of financial losses and damage to the Group's reputation with overall cost effectiveness and innovation. In all cases, Group policy requires compliance with all applicable legal and regulatory requirements.

A separate Enterprise Risk Management (ERM) department, reporting to the Company's Risk Committee or the Cyber Risk Committee when relevant, is responsible for the development and implementation of controls to address operational risk. This responsibility is supported by the development of overall Group standards by ERM, Compliance and Internal Control departments for the management of operational risk in the following areas:

- requirements for appropriate segregation of duties, including the independent authorisation of transactions;
- requirements for the reconciliation and monitoring of transactions;
- compliance with regulatory and other legal requirements;
- documentation of controls and procedures;
- requirements for the periodic assessment of operational risks faced, and the adequacy of controls and procedures to address the risks identified (Risk and Cartography Self-Assessment – RCSA);
- requirements for the reporting of operational losses and proposed remedial action;
- development of Business Continuity and Business Recovery plans;
- training and professional development;
- ethical and business standards;
- information technology and cyber risks; and
- risk mitigation, including insurance where this is cost-effective.

Compliance with Group standards is supported by:

- A permanent control programme undertaken by Internal Control and Compliance departments. The results of permanent controls reviews are discussed in monthly Internal Control and Compliance committees then submitted to the BRC and senior management of the Group, and Cyber risk committee when relevant.

Periodic reviews undertaken by Internal Audit. The results of Internal Audit reviews are submitted to the BRC and senior management of the Group.

Auditor’s Report on the Consolidated Financial Statements

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REPORT OF THE REVISEUR D'ENTREPRISES AGREE

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of Younited Financial S.A. and its subsidiaries (the "Group"), which comprise the consolidated statement of financial position as at 31 December 2024, and the consolidated statement of profit and loss and other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2024, and its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with IFRS Accounting Standards as adopted by the European Union.

Basis for opinion

We conducted our audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 on the audit profession (the "Law of 23 July 2016") and with International Standards on Auditing ("ISAs") as adopted for Luxembourg by the Commission de Surveillance du Secteur Financier (the "CSSF"). Our responsibilities under the EU Regulation N° 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the « Responsibilities of "réviseur d'entreprises agréé" for the audit of the consolidated financial statements » section of our report. We are also independent of the Group in accordance with the International Code of Ethics for Professional Accountants, including International Independence Standards, issued by the International Ethics Standards Board for Accountants ("IESBA Code") as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the consolidated financial statements, and have fulfilled our other ethical responsibilities under those ethical requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key audit matters

Implementation of Business Combination Agreement

Why the matter was considered to be one of most significance in our audit

The group was founded through a business combination agreement between Younited Financial S.A. and Younited S.A. in December 2024.

While Younited Financial S.A, is the legal acquirer of Younited S.A., the transaction is considered as a capital reorganization of Younited S.A. within the scope of IFRS 2 'Share-based payment,' as Younited Financial S.A. on stand-alone basis does not meet the definition of a business under IFRS 3, 'Business combinations'.

The business combination agreement required the implementation of various transactions linked to:

- the issuance, redemption or conversion of equity and liability instruments at the level of Younited Financial S.A.;
- the issuance of new equity and liability instruments to existing shareholders of Younited S.A. in exchange for their shareholding in Younited Financial S.A. through a contribution in kind following the approval of the transaction by the European Central Bank dated 20 December 2024;
- the capital increase in Younited S.A..

Given the importance and the complexity of the transactions for the Group, we have considered the transactions as key audit matter in our audit of the consolidated financial statements.

Please refer to Note 3 for the respective disclosure in the consolidated financial statements.

How the matter was addressed in our audit

Our procedures for the Implementation of Business Combination Agreement included, but were not limited to the following:

- Obtained and inspected the agreements and resolutions in respect of the implementation of the transactions linked to the issuance, redemption or conversion of equity and liability instruments and the contribution in kind including the subsequent capital increase in Younited S.A..
- Obtained and inspected relevant supporting documentation to confirm that the transaction qualifies as capital reorganization in the scope of IFRS 2 as adopted by the European Union.
- Analysed and assessed the accounting consequences of the application as transaction in the scope of IFRS 2 as adopted by the European Union and how this was accounted in the consolidated financial statements.
- Verified the adjustments in 2023 comparable information resulting from the retrospective application of IFRS 2 as adopted by the European Union on the own funds of the company.
- Verified the valuation of own equity instruments and of warrant liabilities measured at Fair Value with the support of KPMG Valuation Specialists.
- Assessed the disclosures in the consolidated financial statements with reference to the requirements of the prevailing accounting standards.

Valuation of Securitization Mutual Fund Units Held

Why the matter was considered to be one of most significance in our audit

Bonds and other fixed-income securities represent a value of EUR 86.8 million in the consolidated statement financial position of the consolidated financial statements of the Group as at 31 December 2024 of which EUR 58.1 million correspond to securities subscribed by Younited S.A. in a common securitization funds, in particular within the framework of legislative and regulatory provisions.

Securitization funds units are issued for a maturity of 7 days at the end of which they are redeemed. New units are then reissued and resubscribed. As of 31 December 2024, the mutual fund units held by Younited S.A. are valued at the value of the last issue-sale of the financial year.

The valuation of securitization funds units has been considered as a key audit matter of the audit due to the materiality of this item with regard to the consolidated financial statements and the complexity of the process of determining the subscription price of the units at issuance.

Please refer to Note 14 for the respective disclosures in the consolidated financial statements.

How the matter was addressed in our audit

As the securitization mutual fund units are held at the level of Younited S.A., we have involved the component auditors of Younited S.A. in the performance of the following procedures:

— Assessment of the process for determining the subscription price put in place by the management;

— Assessment of the design and effectiveness of the IT internal control system by reading the report drawn up by an independent firm in application of the ISAE 3402 standard, and by carrying out additional tests with the support of KPMG IT specialists;

— Verification of the quality of the information used in the process and testing of the accuracy of transactions and data used in the calculation of the share value;

— Review of the credit risk provisioning model on receivables carried by securitization funds through component auditors' actuaries;

— Assessment of the correct classification of bonds and other fixed-income securities in the consolidated financial statements.

We assessed the disclosures in the consolidated financial statements with reference to the requirements of the IFRS Accounting Standards as adopted by the European Union.

IFRS 9 measurement of loans and advances to Customers

Why the matter was considered to be one of most significance in our audit

As at 31 December 2024, the Group reports loans accounted for at amortised cost of EUR 274,9 million (31 December 2023: EUR 339,3 million) representing 22% of total assets (31 December 2023: 24%).

The impairment amount for loans and advances to customers consists out of three different components being:

— Management's estimate of expected credit loss ("ECL") for loans and advances to customers considered credit-impaired (Stage 3), amounting to EUR 74,5 million as at 31 December 2024 (31 December 2023: 80,7 million);

— The lifetime expected credit loss determined by model for loans and advances to customers where there has been a significant increase in credit risk since initial recognition (stage 2), amounting to EUR 14,5 million as at 31 December 2024 (31 December 2023: 16,2 million); and

— The 12-month expected credit loss determined by model for the remaining population of loans and advances to customers (stage 1), amounting to EUR 7,5 million as at 31 December 2024 (31 December 2023: 9,9 million).

These loans and advances to customers are not traded in an active market, therefore significant judgments and estimates are applied by Management in its assessment of their recoverable amount, irrespective of the stage allocation.

We considered the assessment of impairment indicators of non-performing loans and advances to customers as a key audit matter due to the materiality of this item and the significant degree of judgement and estimation in determining the main impairment indicators used in the modelling (e.g. historical default rates, loan maturity, prepayments by homogenous client portfolios).

Please refer to Note 4 for the respective disclosure in the consolidated financial statements.

How the matter was addressed in our audit

As the loan portfolio is held at the level of Younited S.A., we have involved the component auditors of Younited S.A. in the performance of the relevant procedures. With the support of our component auditor's credit risk and IT specialists, their work involved:

— Assessing the methodology applied to determine the parameters used in the impairment model and their correct input in the information systems;

— Assessing the key parameters and assumptions that support the calculation of impairment allowances for expected credit losses;

— Performing controls on key Younited's IT systems, including a review of general IT controls, interfaces and automatic controls involved in the calculation of expected credit losses;

— Assessing the design and implementation of the company's bucketing process;

— Recalculating on a sample basis impairment amounts for individual loans and advances to customers.

We assessed the disclosures in the consolidated financial statements in relation to impairment of loans and advances to customers with reference to the requirements of the IFRS Accounting Standards as adopted by the European Union.

Fair Value measurement of loans and advances to Customers

Why the matter was considered to be one of most significance in our audit

As at 31 December 2024, the Group reports loans and advances to customers measured at fair value of EUR 458,2 million (31 December 2023: EUR 477,3 million) representing 37% of total assets (31 December 2023: 34%).

These loans and advances to customers are not traded in an active market, therefore significant judgments and estimates are applied by management in its assessment of their fair value.

We considered the assessment of fair value on loans and advances to customers as a key audit matter due to the materiality of this item and the significant degree of judgement and estimation in determining the main valuation assumptions (e.g. maturity, credit spreads, market interest rates).

Please refer to Note 4 for the respective disclosure in the consolidated financial statements.

How the matter was addressed in our audit

As the loan portfolio at fair value is held at the level of Younited S.A., we have involved the component auditors of Younited S.A. in the performance of the relevant procedures. With the support of component auditor specialists, their work involved:

- Assessing the methodology applied to determine the fair value of the loans and advances to customers;
- Assessing the key parameters and assumptions that support the estimate of the fair value;
- Performing controls on key Younited's IT systems including a review of general IT controls, interfaces and automatic controls involved in the calculation of fair values;
- Recalculating on a sample basis the fair value for individual loans and advances to customers.

We assessed the disclosures in the consolidated financial statements in relation to fair value measurement of loans and advances to customers with reference to the requirements of the IFRS Accounting Standards as adopted by the European Union.

Other Matter relating to comparative information

The Group has been established with effect 20 December 2024 through a business combination agreement between Younited Financial S.A. and Younited S.A.. While Younited Financial S.A. is the legal acquirer of Younited S.A., the transaction described in Note 3 determines Younited S.A. as the accounting acquirer according to IFRS 3.

As a consequence, the comparative information presented in the consolidated financial statements of the Group as at and for the year ended 31 December 2024 for the financial year 2023 relates to the statutory financial statements of Younited S.A..

The financial statements of Younited S.A. as at and for the year ended 31 December 2023 and (from which the statement of financial position as at 1 January 2023 has been derived), excluding the adjustments described in Note 17 to the consolidated financial statements were audited by another auditor who expressed an unmodified opinion on those financial statements on 8 October 2024.

As part of our audit of the consolidated financial statements as at and for the year ended 31 December 2024, we audited the adjustments described in Note 17 that were applied to restate the comparative information presented as at and for the year ended 31 December 2023 and the statement of financial position as at 1 January 2023 in the application of IFRS 3.

We were not engaged to audit the financial statements for the year ended 31 December 2023 or the statement of financial position as at 1 January 2023, other than with respect to the adjustments described in Notes 3 and 17 to the consolidated financial statements.

Accordingly, we do not express an opinion or any other form of assurance on those respective financial statements taken as a whole. However, in our opinion, the adjustments described in Note 3 and 17 are appropriate and have been properly applied.

Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the consolidated annual report including the consolidated management report and the Corporate Governance Statement but does not include the consolidated financial statements and our report of the “réviseur d'entreprises agréé” thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the consolidated financial statements

The Board of Directors is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with IFRS Accounting Standards as adopted by the European Union, and for such internal control as the Board of Directors determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

The Board of Directors is responsible for presenting and marking up the consolidated financial statements in compliance with the requirements set out in the Delegated Regulation 2019/815 on European Single Electronic Format (“ESEF Regulation”).

In preparing the consolidated financial statements, the Board of Directors is responsible for assessing the Group’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the “réviseur d’entreprises agréé” for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a report of the “réviseur d’entreprises agréé” that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

Our responsibility is to assess whether the consolidated financial statements have been prepared in all material respects with the requirements laid down in the ESEF Regulation.

As part of an audit in accordance with the EU Regulation N° 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

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

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our report unless law or regulation precludes public disclosure about the matter.

Report on other legal and regulatory requirements

We have been appointed as "réviseur d'entreprises agréé" by the extraordinary general meeting of shareholders on 12 December 2024 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 1 year.

KPMG

The consolidated management report is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

The Corporate Governance Statement is included in the consolidated management report. The information required by Article 68ter paragraph (1) letters c) and d) of the law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings as amended, is consistent with the consolidated financial statements and has been prepared in accordance with applicable legal requirements.

We confirm that the audit opinion is consistent with the additional report to the audit committee or equivalent.

We confirm that the prohibited non-audit services referred to in the EU Regulation N° 537/2014 were not provided and that we remained independent of the Group in conducting the audit.

We have checked the compliance of the consolidated financial statements of the Group as at 31 December 2024 with relevant statutory requirements set out in the ESEF Regulation that are applicable to consolidated financial statements.

For the Group it relates to:

— consolidated financial statements prepared in a valid xHTML format;
— The XBRL markup of the consolidated financial statements using the core taxonomy and the common rules on markups specified in the ESEF Regulation.

In our opinion, the consolidated financial statements of Younited Financial S.A. as at 31 December 2024, identified younited-2024-12-31-0-en.zip have been prepared, in all material respects, in compliance with the requirements laid down in the ESEF Regulation

Our audit report only refers to the consolidated financial statements of Younited Financial S.A. as at 31 December 2024, identified as younited-2024-12-31-0-en.zip prepared and presented in accordance with the requirements laid down in the ESEF Regulation, which is the only authoritative version

Luxembourg, 4 April 2025

KPMG Audit S.à r.l.
Cabinet de révision agréé

Pia Schanz