REPORT OF THE BOARD OF DIRECTORS OF NEXI S.P.A. ON THE JOINT CROSS-BORDER MERGER PLAN RELATING TO THE MERGER BY INCORPORATION OF NETS TOPCO 2 S.À R.L. WITH AND INTO NEXI S.P.A.

(*This report was prepared pursuant to Article 2501*-quinquies *of the Italian Civil Code, Article 8 of the Legislative Decree no. 108 of May 30, 2008 and Article 70 of the of the Consob Resolution no. 11971/1999, as subsequently integrated and amended*)

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Dear Shareholders,

we hereby submit to your approval the common cross-border merger plan relating to the merger by incorporation (*fusione per incorporazione*) of Nets Topco 2 S.à r.l., a private limited liability company (*Société à responsabilité limitée*) organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 15, boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand Duchy of Luxembourg, registered with the *Registre de Commerce et des Sociétés* in Luxembourg under number B218549 ("**Nets Topco 2**") with and into Nexi S.p.A. ("**Nexi**").

The proposed resolution to be submitted to your approval is attached to this Report.

1. DESCRIPTION AND RATIONALE OF THE PROPOSED TRANSACTION

1.1 Description of the Merger

Preamble

The transaction covered by this Report is the merger by incorporation of Nets Topco 2 into Nexi (the "**Merger**") as described below. Nexi and Nets Topco 2 are hereinafter jointly referred to as the "**Merging Companies**". The boards of directors of the Merging Companies (the "**Boards**" and each of them the "**Board**") have jointly prepared a cross-border merger plan (the "**Merger Plan**") in order to establish a cross-border legal merger within the meaning of the provisions of the European Directive (EU) 2017/1132 of the European Parliament and of the Council of 14 June 2017 relating to certain aspects of company law (the "**Directive**").

This Report has been drafted for the purposes foreseen in Article 95 of the Directive and pursuant to Article 2501-*quinquies* of the Italian Civil Code, Article 8 of the Legislative Decree no. 108 of May 30, 2008 (the "**Legislative Decree 108**") and, since Nexi's shares are listed on the Mercato Telematico Azionario organized and managed by Borsa Italiana S.p.A. (the "**MTA**"), Article 70, paragraph 2, of the Consob Resolution no. 11971/1999, as subsequently integrated and amended (the "**Issuers' Regulation**") and in compliance with the Scheme no. 1 of Annex 3A of the above Issuers' Regulation (the "**Report**").

This Report was prepared by the Board of Nexi and is aimed at explaining in detail the terms of the Merger Plan, including, in particular, the share exchange ratio, and setting out the most relevant legal and economic aspects for purposes of the Merger. The Merger Plan has been drafted on the basis of the understandings by and between Nexi, Nets Topco 2, Nets Topco 1 S.à r.l., a private limited liability company (*Société à responsabilité limitée*) organized under the laws of the Grand Duchy of Luxembourg, having its registered office at 15, boulevard F.W. Raiffeisen, L-2411 Luxembourg, Grand Duchy of Luxembourg, registered with the *Registre de Commerce et des Sociétés* in Luxembourg under number B217675 ("**Nets Topco 1**") and the current shareholders of the latter, namely: (i) Evergood H&F Lux S.à r.l., (ii) AB Europe (Luxembourg) Investment S.à r.l., (iii) Eagle (AIBC) & Cy S.C.A., (iv) Eiffel Investment Pte Ltd ("**Eiffel**"), (v) nInvestment 1 ApS, (vi) nInvestment Lux S.C.Sp. (vii), Bamboh Co-investment ApS, (viii) Stargazer Invest APS and (ix) EmpCo A/S ((i) to (ix), collectively, the "**Current Nets Shareholders**"; the Current Nets Shareholders except for Eiffel, the "**Nets Shareholders**").

By virtue of the Merger, Nets Topco 2 will cease to exist as a standalone entity and Nexi will acquire all assets and assume all liabilities and other legal relationships of Nets Topco 2 under universal title of succession. In accordance with the terms of the Framework Agreement, the Merger is part of a broader transaction which also envisages the reorganization of the corporate and share capital structure of Nets Topco 1 and Nets Topco 2 to be completed before the effectiveness of the Merger, in accordance with the activities described below:

(i) the assignment by the lenders (such lenders being the direct and indirect shareholders of Nets Topco 1) under certain intercompany loan agreements (the "**Loan Agreements**") of the benefit of the receivables due to such lenders from Nets Topco 2 under the Loan Agreements to Nets Topco 1;

(ii) the subscription by Nets Topco 1 for 597,530,498 ordinary shares in Nets Topco 2, with the subscription price for such shares to be set off against the aggregate amount payable by Nets Topco 2 to Nets Topco 1, in order to discharge all the amounts outstanding under the Loan Agreements;

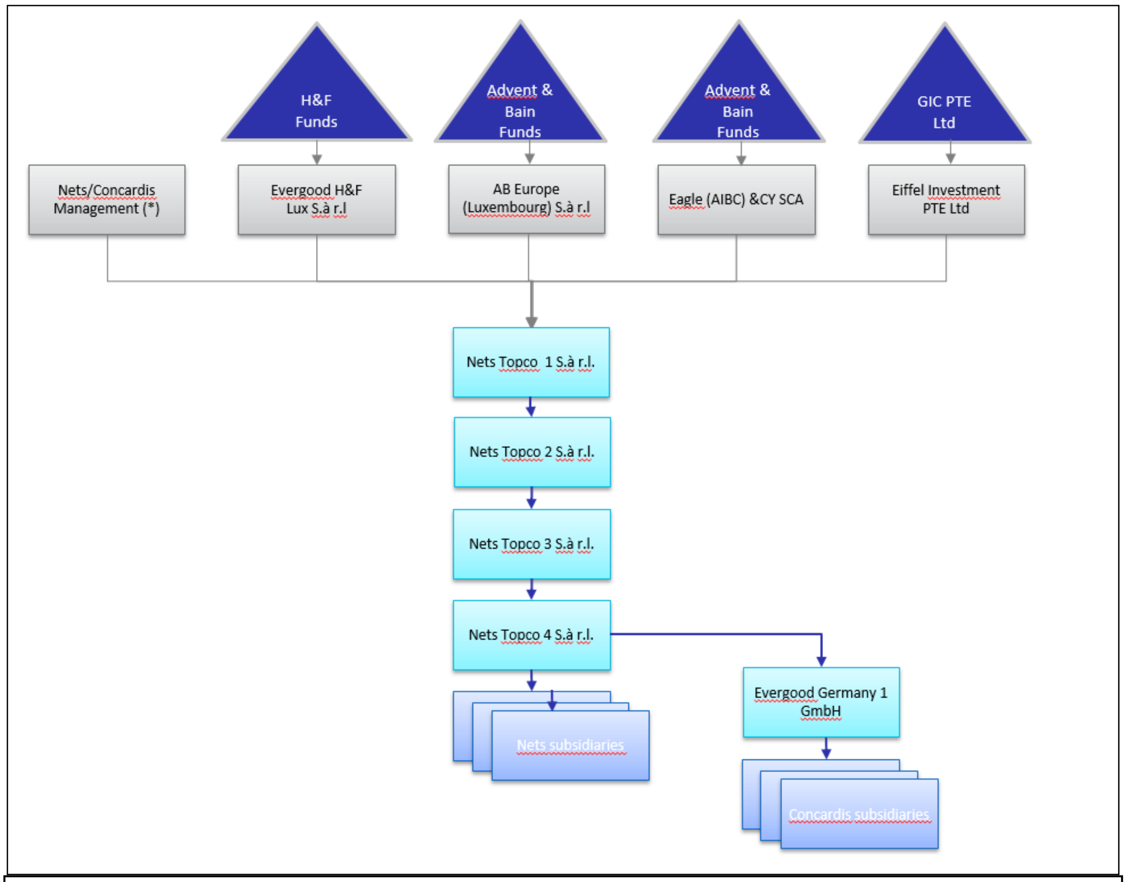
(iii) the subscription by Nets Topco 1 of 612,207,308 ordinary shares in Nets Topco 2, with the subscription price for such shares to be set off against the amounts payable to Nets Topco 1 under certain preferred equity certificates issued by Nets Topco 2 (the "**PECs**");

(iv) the voluntary dissolution and opening of the liquidation of Nets Topco 1 (the "**Liquidation**") and, following the opening of the Liquidation, the distribution of all shares of Nets Topco 2 held by Nets Topco 1 to the Current Nets Shareholders in accordance with the waterfall set out in the corporate by-laws of Nets Topco 1, either as a result of an interim liquidation surplus distribution decided by the liquidator of Nets Topco 1 (then in liquidation) and/or as a result of the completion of the Liquidation;

(v) immediately after completion of the Liquidation, the transfer of all Nets Topco 2 ordinary shares held by Eiffel to Evergood H&F Lux S.à r.l., in exchange for an issue of instruments by the latter,

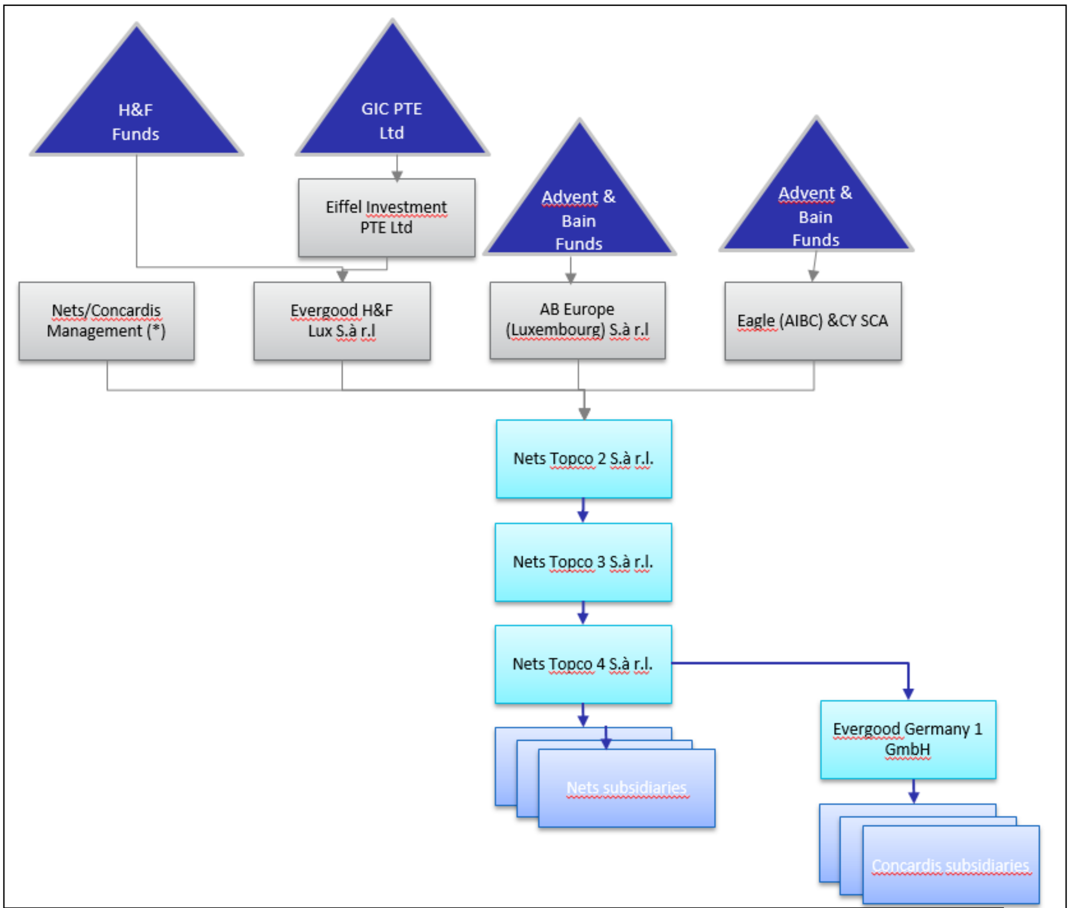
so that, upon effect of the actions and activities referred to above: (i) the entire share capital of Nets Topco 2 shall be represented by ordinary shares only and will be equal to DKK 23,097,378.06 divided into no. 2,309,737,806 ordinary shares; and (ii) all the then-outstanding ordinary shares of Nets Topco 2 will be held directly by the Nets Shareholders (the "**Preliminary Reorganization**"). The Preliminary Reorganization will have no impact of the Exchange Ratio (as defined below).

Below is reported a group chart of the Nets Topco 2 group as of the date hereof:



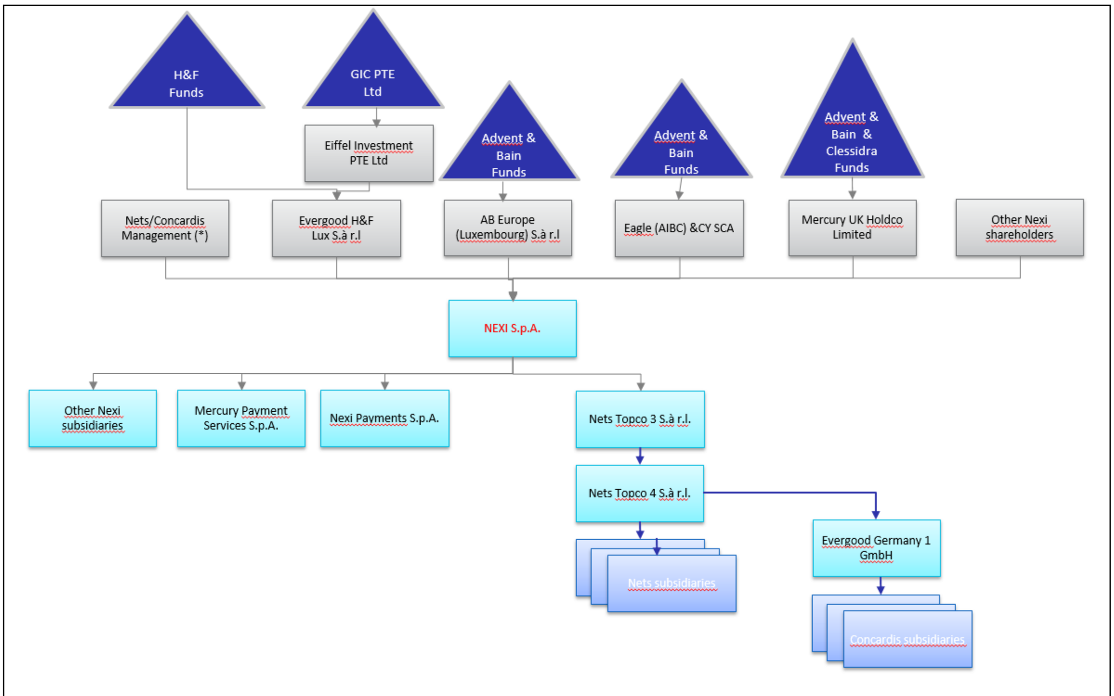
* nInvestment 1 APS, nInvestment Lux S.C.Sp.; Bamboh Co-investment APS, Stargazer Invest APS; Empco A/S

Below is reported a group chart of the Nets Topco 2 group after the Preliminary Reorganization:



* nInvestment 1 APS, nInvestment Lux S.C.Sp.; Bamboh Co-investment APS, Stargazer Invest APS; Empco

Below is reported a group chart of the Nexi group upon effectiveness of the Merger:



* nInvestment 1 APS, nInvestment Lux S.C.Sp.; Bamboh Co-investment APS, Stargazer Invest APS; Empco A/S

Public documents

In connection with the Merger and pursuant to Article 2501-*septies* of the Italian Civil Code and Article 70, paragraph 1, of the Issuers' Regulation, in addition to this Report, the following documents are published pursuant to the applicable laws and regulations and, in particular, the following documents are published on Nexi website (www.nexi.it) and made available for inspection at the registered office of the company in 55 Corso Sempione, Milan, Italy, for the persons that statutory law enables so to do:

(i) the Merger Plan;

(ii) the expert report prepared by PKF Italia S.p.A. pursuant to Article 2501-*sexies* of the Italian Civil Code and Article 9 of the Legislative Decree 108 for the benefit of both Merging Companies on the Exchange Ratio (the "**Merger Expert Report**");

(iii) the yearly financial statements of Nexi as of December 31, 2019, 2018 and 2017;, together with the relevant reports attached thereto;

(iv) the yearly financial statements of Nets Topco 2 as of December 31, 2019 and 2018. No yearly financial statements of Nets Topco 2 are available as of December 31, 2017 since Nets Topco 2 closed its first financial year in 2018; and

(v) interim financial statements of the Merging Companies, as at 30 September 2020, as respectively approved by the Board of Nexi on 22 December 2020 and by the Board of Nets Topco 2 on 30 December 2020.

Moreover, because of the relationship between Nexi and Nets Topco 2 (since Advent and Bain are the fund managers that both hold an interest in Mercury which in turn exercise control over Nexi pursuant to Article 93 of the Italian Legislative Decree n. 58 of February 24, 1998 (the "**CFA**") and at the same time, are also significant shareholders in Nets Topco 1, with joint governance rights, including appointment of their representatives into the Board) and the size of this transaction, it may be considered as a "material related party transaction" for the purposes of transparency, pursuant to the Regulations for Related Party Transactions adopted by Consob with Resolution 17221 of March 12, 2010, as amended (the "**RPT Regulations**") and the "Procedure for the Execution of Related Party Transactions," approved by the Board of Nexi on March 8, 2019 pursuant to Article 2391-*bis* of the Italian Civil Code ("**RPT Procedure**"). Therefore, the committee of the Board of Nexi which acts as related party transactions committee for the purposes of the RPT Procedure (the "**RPT Committee**") was involved in the preparatory phase of the transaction, and on November 11, 2020 expressed its favorable opinion of the Nexi's interest in carrying out the transaction and the advantageousness and substantive fairness of the conditions agreed. For further information, see the informative document on the related parties transactions of major importance prepared in accordance with Article 5 of the RPT Regulations, published on November 20, 2020 and available online at www.nexi.it.

Purpose of the Merger

The Merger is strategic for the international growth and operational network of Nexi and it would result in the creation of the European paytech leader, since it will strengthen the solidity and objectives of Nexi, through (i) a further diversification into a large number of markets, (ii) a full portfolio of products and services for clients, (ii) a greater exposure to the e-commerce business and (ii) a stronger diversification of the client portfolio. Moreover, the Merger represents for Nexi a unique strategic opportunity to achieve its objectives of international growth, which were otherwise considered difficult to achieve in the short term through internal growth or other M&A operations, since the European market is very fragmented and characterised by the presence of many national players of limited size, which would not be available as acquisition targets.

In particular, Nets Topco 2 is at the head of one of the leading pan-European players in the paytech sector, active in 20 countries, with a leading position in the most advanced digital payment markets (*i.e.*, the Nordic countries) as well as in the most attractive, fast-growing and under-penetrated markets (such as Germany, Austria, Switzerland, Poland and other Central and Eastern European countries with great opportunities).

The Merger will enable the group resulting from the Merger to:

(i) become the leading player in the digital payment market;

(ii) create the largest pan-European platform with the scale to drive superior product and efficiency leadership;

(iii) benefit from significant growth potential from leadership and exposure to attractive European markets (ranging from fast-growing Italy to the structurally attractive Germany/DACH and Poland/CSEE regions to the highly advanced and innovative Nordic markets), with an overall addressable market expanded 4x vs. Nexi standalone;

(iv) leverage a full portfolio of solutions across the payment ecosystem, with strong competences in acquiring and e-commerce, and the ability to support international merchants with vertical-specific solutions based on flexible customer journeys across countries, payment channels and rails;

(v) best-of-breed technology platform leveraging on complementarity and scale;

(vi) achieve superior profitability and cash generation at scale, with enhanced business resilience stemming from geographic diversification, e-commerce exposure and significantly lower customer concentration; and

(vii) be uniquely positioned to capture further organic and inorganic growth opportunities across Europe.

In addition the combination with products and services of Nets Topco 2, which are highly complementary to those of Nexi (and which could be further expanded in case of the envisaged merger with SIA S.p.A. would be completed), will realize a significant growth in sales and an expansion of profit margins, cash generation, based on cross-selling and development of further capabilities relating to commercial activities and products, as well as cost scalability and spending efficiencies (*i.e.*, investments) by effect of the optimization of operating platforms.

Moreover, the combination of Nexi and Nets Topco 2 is expected to provide significant value creation opportunities from highly visible and properly phased equal to approximately Euro 170 million of estimated run-rate recurring cash synergies, of which:

(i) approximately Euro 95 million in lower operating expenses through rationalization of IT and tech platforms together with the creation of shared services and competence centers, and central procurement;

(ii) approximately Euro 60 million in revenue synergies, of which Euro 40 million at EBITDA level, from cross-selling of digital solutions to SMEs, enhanced e-commerce and omni-channel proposition for local, regional and international merchants, increased penetration in attractive verticals and upselling to a value-added service model for national and international banks; and

(iii) approximately Euro 35 million in recurring capex synergies through product development at scale, joint investment planning and best-of-breed technology platforms consolidations.

In addition, more than 80% of EBITDA synergies are expected to be achieved by year 2024; and total integration costs are estimated approximately equal to 1x total recurring annual cash synergies.

Exchange Ratio

At the effectiveness of the Merger and without prejudice to the below, each Nets Shareholder shall be granted with 0.176049495723585 share of Nexi, with no par value, for each ordinary share of Nets Topco 2, with nominal value of DKK 0.01, then held (the "**Exchange Ratio**"). No cash components (*conguagli in denaro*) will be paid.

Furthermore, in the context of the Merger the Centurion Earn-out Shares and / or the EBITDA Earn-out Shares (as defined below) might also be issued in favor of the Nets Shareholders upon occurrence of the relevant conditions and without capital increase.

Applying the Exchange Ratio, if the Centurion Earn-out (as described below) is not due at the effectiveness of the Merger and without prejudice of any rounding, Nexi will issue 406,628,176 Rollover Securities (*azioni di compendio*) (as defined below), with no par value, to the Nets Shareholders and the share capital of Nexi will be increased by Euro 36,966,198, accordingly.

The Exchange Ratio, approved by the Boards, will be examined for the purpose of the issuance of the opinion on their fairness by the expert appointed pursuant to Article 2501-*sexies* of the Italian Civil Code and Article 9 of Legislative Decree 108.

For further information on the Exchange Ratio, please refer to Section 3 below.

1.2 Conditions precedent

The execution of the merger deed relating to the Merger (the "**Merger Deed**") is subject to the satisfaction (or waiver, as the case may be) of the following conditions precedent:

(i) receipt of antitrust clearance from the European Commission (or by the competent authorities of one or more EU Member States or EFTA States in the event that all or any part of the Merger is referred, or is deemed under the Regulation or Protocol 24 of the European Economic Area Agreement to have been referred, by the European Commission to such authorities) or expiry of the relevant time period for a decision without adoption of a decision;

(ii) receipt of antitrust clearance from the competent merger control authority of each of Germany and Austria;

(iii) granting of the required consent, approval, clearance, confirmation or licence under the applicable foreign investment laws of each of Austria, Germany, Italy and Slovenia (or confirmation by the relevant authorities that no consent, approval, clearance, confirmation or licence is required);

(iv) approval by the Danish FSA (or absence of written rejection during its assessment period) of Nexi, and each person deemed by the Danish FSA to be acquiring a qualifying interest in Nets Denmark A/S pursuant to section 21 of the Danish Payments Act (Act no. 652 of 8 June 2017) (in Danish: *Lov om betalinger*), as amended from time to time;

(v) approval by the Finnish FSA of the contemplated indirect change of ownership (and close links) of Paytrail Oyj;

(vi) absence of a prohibition by, or approval of, the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht* (BaFin)) of the acquisition by Nexi (and any other person that qualifies as a proposed acquirer required to make filings) of a qualifying holding in the BaFin-regulated entities indirectly held by Nets Topco 2;

(vii) absence of objection by the Polish Financial Supervisory Authority (*Komisja Nadzoru Finansowego*, (KNF)) to the proposed acquisition by Nexi (and their relevant affiliate(s) or direct or indirect shareholder(s), or any other relevant person, as applicable) of the relevant qualifying holdings indirectly held by Nets Topco 2 in all the KNF-regulated entities, within the relevant statutory deadlines;

(viii) absence of objection by the Norwegian FSA pursuant to the conditions imposed in the approval granted by the Norwegian Ministry of Finance of 12 April 2010 relating to the merger of PBS Holdings A/S and Nordito AS;

(ix) approval (or absence of a written rejection during its assessment period) by the Bank of Italy to the acquisition of a qualifying holding in Nexi Payments S.p.A. and Mercury Payment Services S.p.A. by Nets Topco 1 (or any of its respective ultimate controlling entities, as the case may be) and/or any other person which is deemed by the Bank of Italy to be acquiring such qualifying holding in connection with the Merger;

(x) completion of Project Centurion (as defined below);

(xi) issuance of the Merger Expert Report confirming that the valuation methods are appropriate in the circumstances, and that they were applied correctly for the purpose of determining the Exchange Ratio;

(xii) approval of the Merger by the extraordinary general meeting of Nexi s (it being understood that such approval shall also be required for the purposes of Article 49, paragraph 1, let. g), of the Issuers' Regulation and approval of the Merger by the extraordinary general meeting of Nets Topco 2 to be recorded in a notarial deed;

(xiii) compliance by each of Nexi and Nets Topco 2 (also with respect to its subsidiaries) of certain material pre-closing obligations set out in the Framework Agreement;

(xiv) absence of occurrence and continuation of any material adverse change; and

(xv) approval by the Finnish FSA of the contemplated indirect change of ownership (and close links) on Checkout Finland Ltd., should the envisaged acquisition of Checkout Finland Ltd. by Paytrail Oyj be completed before the execution of the Merger Deed.

The conditions precedent shall be satisfied (or waived) by the date falling 15 months after 15 November 2020. If by the aforesaid longstop date all the conditions have not been satisfied or waived, the Merger Deed will not be executed.

1.3 Pre-Merger Formalities

In addition to the conditions referred to above, prior to the execution of the Merger Deed:

(i) the 60-day period following the date on which the resolution of the extraordinary general meeting of Nexi has been registered with the Companies' Register of Milan-Monza-Brianza-Lodi shall have expired and no creditor of Nexi whose claims precede the registration of the Merger Plan shall have opposed the Merger pursuant to Article 2503 of the Italian Civil Code or, should the Merger be opposed: (a) such opposition shall have been waived, settled or rejected and/or (b) Nexi shall have deposited the necessary amounts to satisfy its opposing creditors with a bank or in any event the actions and remedies referred to in Article 2503 of the Italian Civil Code have been adopted; and/or (c) the competent Court (provided that the risk of prejudice to creditors is deemed ungrounded or that adequate guarantees have been given by Nexi in order to satisfy its creditors) shall have nonetheless authorized the Merger despite the opposition, pursuant to Article 2503 of the Italian Civil Code in conjunction with Article 2445 of the Italian Civil Code;

(ii) the Preliminary Reorganization shall have been completed; and

(iii) all the pre-merger formalities shall have been completed, including the delivery by the Luxembourg public notary selected by Nets Topco 2 of the respective certificate conclusively attesting to the proper completion of the pre-merger acts and formalities within the meaning of Article 127 of the Directive.

Finally, in accordance with the Framework Agreement, the Merger Deed coming into effect will be conditional upon: (i) Consob having authorised in writing the publication of the prospectus for the admission of the Rollover Securities (as defined below) to trading on the MTA; and (ii) Borsa Italiana S.p.A. having authorised the admission of the Rollover Securities (and, if applicable, the Centurion Earn-out Shares) to trading on the MTA (the "**Merger Deed Conditions**").

1.4 Information regarding the Merging Companies

Nexi S.p.A., as absorbing company

Nexi is a joint stock company (*società per azioni*) organized under the laws of the Republic of Italy; with registered office in 55 Corso Sempione, Milan, Italy, current share capital equal to Euro 57,070,707, fully paid-in and no. 627,777,777 ordinary shares, no par value, listed on the MTA. Nexi is registered with VAT Code 10542790968 and registration number with the Companies' Register of Milan-Monza-Brianza-Lodi 09489670969.

Nexi will be, following completion of the Merger, the surviving company and will maintain its current legal form, company name and registered office and will, therefore, continue to be subject to Italian law.

➢ Shareholders of Nexi

The following table shows the current percentage interest of major shareholders in Nexi (i.e., shares representing 3% or more of voting rights) on the basis of the publicly available information.

Nexi's shareholders	***%***
Mercury UK Holdco Ltd.	**20.075%**
Government of Singapore Investment Corporation Pte Ltd	**3.186%**
Intesa Sanpaolo S.p.A.	**10.489(*)%**
Other shareholders (**)	**66.25%**

(*) Intesa Sanpaolo S.p.A. holds the overall participation also through Unione Banche Italiane S.p.A.

(**) "Other shareholders" may include directors owning shares of Nexi, as the case may be.

Pursuant to Article 93 CFA, as subsequently integrated and amended, Mercury UK Holdco Ltd ("**Mercury**") controls Nexi, holding, an interest of approximately 20.075% of the current share capital of Nexi.

Nets Topco 2 S.à r.l., as absorbed company

Nets Topco 2 is a private limited liability company (*société à responsabilité limitée*) incorporated under the laws of the Grand Duchy of Luxembourg; with registered office in 15, boulevard F.W. Raiffeisen, L-2410 Luxembourg, Grand Duchy of Luxembourg, issued share capital equal to DKK 11,000,000 and no. 1,100,000,000 ordinary shares, having a nominal value of DKK 0.01 each; Nets Topco 2 is registered with registration number with the *Registre de Commerce et des Sociétés* in Luxembourg B218549; tax code 20172455698.

As described above, following the Preliminary Reorganization, the issued share capital of Nets Topco 2 will be equal to DKK 23,097,378.06 and will be divided into no. 2,309,737,806 ordinary shares, having a nominal value of DKK 0.01 each.

➢ Shareholders of Nets Topco 2

The following table lists the shareholder of Nets Topco 2 as of the date of the Merger Plan and this Report:

Nets's shareholders	***%***
Nets Topco 1	**100%**

The following table lists the shareholders of Nets Topco 2 before the effectiveness of the Merger and after the Preliminary Reorganization:

Nets's shareholders	***%***
Evergood H&F Lux S.à r.l.,	**63.7%**
AB Europe (Luxembourg) Investment S.à r.l.	**12.85%**
Eagle (AIBC) & CY SCA	**19.39%**

Other shareholders(*)	**4.06%**

(*) "Other shareholders" means in aggregate management's investment vehicles (*i.e.*, Bamboh Co-Investments ApS, EmpCo A/S, nInvestment 1 ApS, nIvestment Lux S.C.Sp, and Stargazer Invest ApS)

(**) The above percentages are estimates based on certain working assumptions and, therefore, may vary as a result of: (i) the timing of the Liquidation; and (ii) the price of Nexi's shares at the time of the Liquidation.

1.5 Legal characteristics of the Merger

Description of the Merger

This Report has been drafted for the purposes foreseen in Article 95 of the Directive and pursuant to Article 2501-*quinquies* of the Italian Civil Code, Article 8 of the Legislative Decree 108 and, since Nexi's shares are listed on the MTA, Article 70, paragraph 2, of the Issuers' Regulation and in compliance with the Scheme no. 1 of Annex 3A of the Issuers' Regulation.

As specified in the Merger Plan, by virtue of Merger, Nets Topco 2 will be absorbed by Nexi and cease to exist as a standalone entity and Nexi will acquire and continue all assets and assume all liabilities and other legal relationships of Nets Topco 2.

In particular, at the effectiveness of the Merger, each ordinary share of Nets Topco 2 then-issued will be cancelled by operation of law and will be exchanged into the number of ordinary shares of Nexi (the "**Nexi Shares**") determined on the basis of the Exchange Ratio (the "**Rollover Securities**"). According to the Merger Plan, Nexi will increase its share capital and allot the Rollover Securities to the Nets Shareholders; however, no fractional Rollover Securities shall be allotted to the Nets Shareholders.

The Rollover Securities to be allotted upon completion of the Merger will be issued with effect as of the Merger Effective Time (or immediately thereafter) in dematerialized form and delivered to the Nets Shareholders through the applicable centralized clearing systems organized by Monte Titoli S.p.A.

In the context and for the purposes of the Merger, after the Merging Companies filed a request with the Court of Milan for the appointment of a joint expert pursuant to Article 2501-*sexies* of the Italian Civil Code, thus on December 10, 2020, the Court of Milano appointed the Consob-supervised company PKF Italia S.p.A to prepare the written report on the fairness of the Exchange Ratio in the context of the Merger.

Finally, the interim financial statements as of September 30, 2020, as approved by the Board of Nexi on 22 December 2020, is the merger balance sheet (*situazione patrimoniale*) for purposes of Article 2501-*quater*, paragraph 1, of the Italian Civil Code.

The interim financial statements as of September 30, 2020, as approved by the Board of Nets Topco 2 on 30 December 2020, is the merger balance sheet (*situazione patrimoniale*) for purposes of Article 1021-7 (1) 3° of the Luxembourg Law of 10 August 1915 (the "**Luxembourg Company Law**").

Notwithstanding the above, any material changes to the assets or liabilities of the Merging Companies, arising between the date of this Report and the date(s) of the shareholders meetings of the Merging Companies to approve the Merger, shall be reported to the relevant shareholders meeting and to the Board of the other Merging Company in accordance with the provisions of Article 1021-5 (2) of the Luxembourg Company Law and Article 2501-*quinquies*, paragraph 3, of the Italian Civil Code.

The interim financial statements of Nexi and Nets Topco 2, as described above, are attached to the Merger Plan as Schedules 5 and 6, respectively.

Cross-border Merger

As described above, in consideration of the nationalities of each of Nets Topco 2 and Nexi, the Merger qualifies as a cross-border merger pursuant to Article 2 of the Legislative Decree 108 and Articles 1020-1 *et seq*. of the Luxembourg Company Law.

In consideration of the nationalities of the Merging Companies and of the provisions of the Luxembourg law of 19 December 2002 on the Trade and Company Register and the accounting and annual accounts of companies (the "**RCS Lux Law**") and the Legislative Decree 108, as well as of the expected listing of the Rollover Securities on the MTA, the Merger Plan has been prepared in Italian, in French and in English. Italian law provides that the Merger Plan must be executed in Italian and filed with the Companies' Register of Milan-Monza-Brianza-Lodi; while pursuant to Article 22-2 of the RCS Lux Law, the Merger Plan must be translated into French and filed with the *Registre de Commerce et des Sociétés* in Luxembourg for publication in the *Recueil Électronique des Sociétés et Associations*.

Related Party Transaction

As noted in the introduction, the Merger is part of the overall transaction that qualifies as a "material" related party transaction pursuant to and for the purposes of the RPT Regulations and RPT Procedure. In accordance with the RPT Procedure, the RPT Committee participated in the preparatory phase of the transaction as a whole, and on November 11, 2020 expressed its favorable opinion. That opinion was published as an annex to the informative document on the most relevant related parties transactions prepared in accordance with Article 5 of the RPT Regulations, which is available for consultation on the website www.nexi.it.

Amendment to Nexi by-laws

As a result of the Merger, the by-laws of Nexi will be amended to reflect: (i) the increase of the share capital required to issue the Rollover Securities (as defined below); (ii) the updated number of outstanding shares of Nexi, resulting from the issuance of the Rollover Securities and (iii) the maximum amount of the Further Rollover Securities (as defined below) that might be issued, upon occurrence of the relevant conditions, pursuant to the Centurion Earn-out and/or the EBITDA Earn-out (as defined below).

The by-laws of Nexi will be amended and restated at the Merger Effective Time in accordance with the proposed version of the Articles of association attached to the Merger Plan as Schedule 2.

2. VALUES ATTRIBUTED TO NETS TOPCO 2 IN THE TRANSACTION FOR THE PURPOSE OF DETERMINING THE EXCHANGE RATIO

2.1 Valuation approach and methodologies

In the context of a merger, the objective of the board of directors' valuation is to estimate relative (rather than absolute) equity values of the companies involved in order to determine the exchange ratio; the estimated relative values should not be taken as reference in different contexts.

The relative values of Nets Topco 2 have been determined under the going-concern assumption and ignoring any potential economic and financial impacts of the Merger, as well as excluding the potential EBITDA Earn-out (as described below). To this regard, it is important to note that the EBITDA Earn-out has been structured in a way that the additional EBITDA potentially generated by Nets Topco 2 during FY2021 is remunerated to Nets Shareholders at a much lower EV/EBITDA multiple than the one implied in the valuation of the Enterprise Value of Nets Topco 2 implied in the Exchange Ratio.

The Merging Companies have agreed that at the effectiveness the Merger each Nets Shareholder shall be granted with 0.176049495723585 Nexi Shares for each Nets Topco 2 ordinary share, with a par value of DKK 0.01 at the time held, hence Nexi will issue a total of 406,628,176 Rollover Securities. Considering a rectified net financial debt for Nets equal to Euro 1.8 billion[1], the aggregate number of Rollover Securities represents:

(i) an Enterprise Value of Nets equal to Euro 7.8 billion and an Equity Value of Nets equal to Euro 6.0 billion (price per share of Euro 2.59), based on Nexi's share price equal to Euro 14.71 as of November 13, 2020 (last day of open market before the reaching of an agreement on the Merger);

(ii) an Enterprise Value of Nets equal to Euro 8.25 billion and an Equity Value of Nets equal to Euro 6.4 billion (price per share of Euro 2.78), based on Nexi Shares' market price equal to Euro 15.80 calculated in accordance with volume-weighted average price for the period of three months, such period ending on October 30, 2020.

Such Enterprise Values fall within the valuation range of Nets Topco 2 equal to Euro 7.5 billion and 9.2 billion, approved by the Board of Nexi for the valuation of Nets Topco 2, as better described below.

Taking into account the objective of the valuation analysis, the criteria commonly used in the valuation practice, the following methodologies were applied by the Board of Nexi for the valuation of Nets Topco 2:

(i) discounted cash flow;

(ii) market multiples;

(iii) analysis of precedent comparable transactions; and

(iv) sum of the parts ("**SOTP**").

2.2 Description of the valuation methodologies of Nets Topco 2

Discounted Cash Flow

This methodology has been applied to the business plan of Nets Topco 2. The relative forecasts has been extended, only for the purposes of this valuation, up to 2034 through an extrapolation that reflects the trend of growth and evolution of the operating margin highlighted by Nets Topco 2 over the period of the business plan, applying long-term sustainable growth assumptions.

The main assumptions on which is based this valuation methodology are:

- weighted average cost of capital ("**WACC**"), assumed to be 7.0%, derived considering the average of the WACC used from research analysts for Nexi and through bottom-up reconstruction based on the "Capital Asset Pricing Model" for the cost of equity and the average cost of Nets Topco 2's historical debt;
- long-term growth ("**g**") equal to 2.5%; and
- estimates of cash flow elements plus EBITDA (*e.g.*, depreciation and amortization, lease payments, tax rate, net working capital development and investments) based on indications provided by management of Nets Topco 2 in the context of the due diligence process.

Applying this valuation methodology, the resulting standalone Nets Topco 2 Enterprise Value is equal to Euro 9.2 billion (corresponding to an Equity Value of Euro 7.4 billion and price per share of Euro 3.2). A sensitivity analysis based on +/- 0.25% of both WACC and g provided a range of the Enterprise Value between Euro 8.4 billion (corresponding to an Equity Value of Euro 6.6 billion and price per share of Euro 2.9) and Euro 10.2 billion (corresponding to an Equity Value of Euro 8.4 billion and price per share of Euro 3.6).

Analysis of market multiples

[1] Reference date of the rectified net financial debt: 31 August 2020 (latest data available at the time of the valuation)

The market multiples methodology assumes that the value of a company can be determined by using market information for companies with similar characteristics as the one being valued.

For the purpose of the application of the market multiples methodology, the Board of Nexi identified a panel of 5 companies, mainly active in Europe and the United States and with a financial and business profile comparable to Nets Topco 2.

The application of market multiples methodology has been referred to year 2021 in order to neutralize the impacts of the COVID-19 pandemic on the 2020 results of comparable companies and Nets Topco 2 itself. The average EV/EBITDA 2021E of the peers is 17.2x.

Applying this methodology, the standalone Nets Topco 2 Enterprise Value is Euro 7.1 billion (corresponding to an Equity Value of Euro 5.2 billion and price per share of Euro 2.3). A sensitivity analysis based on +/- 1x EV/EBITDA 2021E, provided a range of the Enterprise Value between Euro 6.7 billion (corresponding to an Equity Value of Euro 4.8 billion and price per share of Euro 2.1) and Euro 7.5 billion (corresponding to an Equity Value of Euro 5.6 billion and price per share of Euro 2.4).

Analysis of precedent comparable transactions

The analysis of precedent comparable transactions allows identifying the price paid for a peer in precedent transactions.

For the purpose of the application of this methodology, the Board of Nexi identified a panel of 5 transactions in Europe and the United States, relating to target companies with a financial and business profile comparable to profile of Nets Topco 2.

The application of comparable transaction methodology has been referred to standardised 2020 in order to neutralize the impact of the COVID-19 pandemic on Nets Topco 2's 2020 results. The average EV/EBITDA LTM of comparable transactions is 18.5x.

Applying this methodology, the standalone Nets Topco 2 Enterprise Value is equal to Euro 7.2 billion (corresponding to an Equity Value of Euro 5.3 billion and price per share of Euro 2.3). A sensitivity analysis based on +/- 1x EV/EBITDA LTM, provided a range of the Enterprise Value between Euro 6.8 billion (corresponding to an Equity Value of Euro 4.9 billion and price per share of Euro 2.1) and Euro 7.6 billion (corresponding to an Equity Value of Euro 5.6 billion and price per share of Euro 2.4).

SOTP

Given the industrial profile of Nets Topco 2, characterized by two divisions with different growth and profitability profiles, it has been applied also the SOTP valuation methodology, which evaluates each division as standalone.

For the purpose of the application of this methodology, the Board of Nexi identified two separate panels of comparable transactions in relation to, respectively, the Merchant Services division and the Issuing & eSecurity division:

- 6 transactions completed in Europe and the United States since 2015 with an average EV/EBITDA LTM of 23.6x have been selected for the Merchant Services division;
- 5 transactions completed in Europe and the United States since 2015 with an average EV/EBITDA LTM of 14.3x have been selected for the Issuing & eSecurity division.

The aforementioned averages of EV/EBITDA LTM have been applied to the normalized divisional EBITDA 2020, following the same logic applied for the methodology of comparable transactions. The resulting Enterprise Value were summed each other to originate the Enterprise Value of Nets Topco 2.

Applying this methodology, the standalone Nets Topco 2 Enterprise Value is equal to Euro 8.2 (corresponding to an Equity Value of Euro 6.3 billion and price per share of Euro 2.7). A sensitivity analysis based on +/- 1x EV/EBITDA LTM for each division, provided a range of the Enterprise Value between Euro

7.8 billion (corresponding to an Equity Value of Euro 5.9 billion and price per share of Euro 2.5) and Euro 8.6 billion (corresponding to an Equity Value of Euro 6.7 billion and price per share of Euro 2.9).

Difficulties and limits faced in evaluating the Exchange Ratio

The main difficulties and limitations of the value references considered when evaluating the Exchange Ratio has been the following:

- Different methodologies have been applied, both analytical and market-based, which have required the use of different data, parameters and assumptions. In applying such methodologies, the Board of Nexi has considered the characteristics and limitations inherent in each of them, in accordance with professional valuation practice followed at national and international level.
- Nets Topco 2 management accounts and business plan are pro-forma for (i) the sale of Centurion DK A/S, Centurion NO AS and Centurion NNI AS to Mastercard/Europay U.K. Limited and Mastercard International Incorporated pursuant to a sale and purchase agreement dated 6 August 2019 (expected closing in Q1 2021, subject to the fulfilment of the European Commission remedies) and (ii) the acquisition by Nets Topco 2 of Centrum Rozliczen Elektronicznych Polskie ePlatnosci (“PeP”) closed on 26 October 2020, however they do not include financial impacts of the acquisition of CCV Schweiz announced on 23 October 2020, which are expected to be marginal.
- The estimation of the impact of COVID-19 on financial projections has both technical and operational limits: the current situation is unprecedented by nature; the reliability of macroeconomic and microeconomic estimates is difficult to assess despite the overall acceleration of digital payments penetration across Europe. In the context of the health crisis, the financial projections used as the basis for the valuation heavily depend on general economy and business recovery scenarios, formulated by Nets Topco 2 management, which are currently unpredictable.
- The market price of Nexi shares has been and is subject to volatility and fluctuations also as a result of the general trend in the capital markets which may or may not reflect the fundamental value of Nexi; moreover it assumes that the market is sufficiently liquid and efficient.
- The analysis is based on standalone perimeters for each company, i.e. before any impact from the combination. As such, the impact of the potential synergies expected from the combination has not been taken into account in the analysis herein as these synergies would only materialise when the transaction is successfully carried out.

3. EXCHANGE RATIO AND ALLOCATION OF NEXI SHARES TO THE NETS SHAREHOLDERS

3.1 Exchange Ratio established

Considering the results of the valuation methodologies applied, the Board of Directors has resolved to identify a range of the Enterprise Value between Euro 7.5 billion and Euro 9.2 billion, as follow:

- the bottom of this range is equal to Euro 7.5 billion, which is the average resulting from the midpoints of the range identified by the analysis of the market multiples, analysis of the precedent comparable transactions and SOTP, as described above.
- the top of this range is equal to Euro 9.2 billion, which is the mid-point resulting from the application of the discount cash flow valuation methodology, based on the valuation parameters WACC and g described in the previous paragraph. This valuation methodology is considered the best methodology to represent the “recurring” value of Nets Topco 2 and the medium-long term potential of Nets Topco 2.

On the basis of the application of the valuation methodology above and in accordance with the Exchange Ratio, at the effectiveness of the Merger each Nets Shareholder shall be granted with 0.176049495723585

Nexi Shares, with no par value, for each ordinary share of Nets Topco 2, with nominal value of DKK 0.01, then held. No cash components (*conguagli in denaro*) will be paid.

Applying the Exchange Ratio, if the Centurion Earn-out is not due at the effectiveness of the Merger and without prejudice of any rounding, Nexi will issue a total of 406,628,176 Rollover Securities, with no par value, to the Nets Shareholders and the share capital of Nexi will be increased by a total of Euro 36,966,198..

Always in relation to the share exchange connected with the Merger, the Further Rollover Securities (as defined below) might be issued and delivered to the Nets Shareholders in relation to below:

(I) *The Centurion Earn-out*.

Subject to specific requirements, an additional number of Nexi Shares (the "**Centurion Earn-out Shares**"), may be issued and allotted to the Nets Shareholders without further capital increase (the "**Centurion Earn-out**") depending on the amount of proceeds actually received by Nets A/S in connection with the sale of Centurion DK A/S, Centurion NO AS and Centurion NNI AS to Mastercard/Europay U.K. Limited and Mastercard International Incorporated pursuant to a sale and purchase agreement dated 6 August 2019, as amended from time to time ("**Project Centurion**").

The Centurion Earn-out Shares issued to the Nets Shareholders will be (i) a number of Nexi Shares which, in aggregate, is equal in value to the difference – if positive – between the Actual Centurion Proceeds and the Estimated Centurion Proceeds, calculated on the basis of the volume weighted average price of a Nexi Share for the period of one week, such period ending on the date that is one Business Day before the Centurion Earn-out Settlement Date (as defined below) and, in any case, (ii) not higher than 25,000,000.

For the sake of clarity, "**Business Day**" means a day other than a Saturday or a Sunday or a public holiday in Luxembourg, Denmark, England, Singapore and Italy for the transaction of normal banking business; the "**Actual Centurion Proceeds**" means the actual proceeds to be paid to the Nets group in the context of Project Centurion; and the "**Estimated Centurion Proceeds**" estimated proceeds equal to Euro 2,850,000,000.

In case of the Centurion Earn-out Shares are due, these shall be issued by Nexi (i) at the Merger Effective Time, if the Actual Centurion Proceeds have been finally determined prior to the Merger Effective Time, and (ii) within three business days of the date on which the Actual Centurion Proceeds have been finally determined, if this date occurs after the Merger Effective Time (the "**Centurion Earn-out Settlement Date**").

The Centurion Earn-out Shares, that will be listed on the MTA, will be issued *pro rata* to the percentage of Nets Topco 2 ordinary shares held by each Nets Shareholder immediately prior to the effectiveness of the Merger, in dematerialized form and delivered to the Nets Shareholders through the applicable centralized clearing systems organized by Monte Titoli S.p.A.

For more detail regarding the Centurion Earn-out and determination of the Centurion Earn-out Shares, please see Schedule 3 to the Merger Plan.

(II) *The EBITDA Earn-out*

Subject to the specific requirements, an additional number of Nexi Shares (the "**EBITDA Earn-out Shares**" and, together with the Centurion Earn-out Shares, the "**Further Rollover Securities**") may be issued and allotted to the Nets Shareholders without further capital increase (the "**EBITDA Earn-out**") depending on profitability of the Nets Topco 2 group for the period between 1 January 2021 and 31 December 2021, that shall be determined (if due and to which extent) as soon as reasonably practicable following approval of consolidated year end management accounts of Nets Topco 3 S.à r.l. and its subsidiaries ending on ending on 31 December 2021 and, in any event, by 28 February 2022 on the basis of the formula detailed in Schedule 4 to the Merger Plan (the "**EBITDA Earn-out Consideration**").

In case the reference EBITDA for the calculation of the EBITDA-Eearn-out Consideration is lower than EUR 420,000,001.00 (as possibly adjusted to take into account acquisitions and disposals by the Nets group from 15 November 2020 until 31 December 2021), no EBITDA Earn-out Shares will be issued in favor of the Nets Shareholders.

If the reference EBITDA is higher than EUR 420,000,000.01, Nets Shareholders shall receive an Earn-out of a maximum of EUR 250,000,000, following the below principles:

- If the reference EBITDA is comprised between EUR 420,000,000.01 and EUR 430,000,000.00, the EBITDA Earn-out Consideration will be between EUR 0 and EUR 70,000,0000, proportionally between those ranges
- If the reference EBITDA is comprised between EUR 430,000,000.01 and EUR 440,000,000.00, the EBITDA Earn-out Consideration will be between EUR 70,000,000 and EUR 120,000,0000, proportionally between those ranges
- If the reference EBITDA is comprised between EUR 440,000,000.01 and EUR 450,000,000.00, the EBITDA Earn-out Consideration will be between EUR 120,000,000 and EUR 160,000,0000, proportionally between those ranges
- If the reference EBITDA is comprised between EUR 450,000,000.01 and EUR 460,000,000.00, the EBITDA Earn-out Consideration will be between EUR 160,000,000 and EUR 195,000,0000, proportionally between those ranges
- If the reference EBITDA is comprised between EUR 460,000,000.01 and EUR 470,000,000.00, the EBITDA Earn-out Consideration will be between EUR 195,000,000 and EUR 250,000,0000, proportionally between those ranges
- If the reference EBITDA is higher than EUR 470,000,000.01 the EBITDA Earn-out Consideration will be EUR 250,000,0000

The Earn-out Consideration is therefore calculated as follows:

$$Consideration = A + \frac{B - C}{D} * E$$

where:

i. A = Relevant Minimum Earn-out Consideration;
ii. B = Reference EBITDA;
iii. C = Relevant Minimum Target EBITDA
iv. D = 10,000,000, being the difference between each level of the Relevant Minimum Target EBITDA; and
v. E = Relevant Delta Earn-out Consideration

Applicable EBITDA Range		*A = Relevant Minimum Earnout Consideration*	*C = Relevant Minimum Target EBITDA*	*D*	*E = Relevant Delta Earnout Consideration*
Min	**Max**				
–	420,000,000.00	–	–	–	–
420,000,000.01	430,000,000.00	–	420,000,000	10,000,000	70,000,000
430,000,000.01	440,000,000.00	70,000,000	430,000,000	10,000,000	50,000,000
440,000,000.01	450,000,000.00	120,000,000	440,000,000	10,000,000	40,000,000
450,000,000.01	460,000,000.00	160,000,000	450,000,000	10,000,000	35,000,000
460,000,000.01	470,000,000.00	195,000,000	460,000,000	10,000,000	30,000,000
470,000,000.01	–	250,000,000	–	10,000,000	–

As an example, should the reference EBITDA be EUR 445,000,000, the EBITDA Earn-out Consideration would be:

$$120{,}000{,}000 + \frac{445{,}000{,}000 - 440{,}000{,}000}{10{,}000{,}000} * 40{,}000{,}000 = EUR\ 140{,}000{,}000$$

The EBITDA Earn-out Shares, if due, will be issued by Nexi in favor of the Nets Shareholders on the date that is five business days after the date on which the amount of the Earn-out Consideration shall be deemed to have been agreed or determined as indicated in Section 2 above (the "**EBITDA Earn-out Settlement Date**").

The actual amount of EBITDA Earn-out Shares to be issued by Nexi and delivered to the Nets Shareholders shall be determined on the basis of the EBITDA Earn-out Consideration, it being such number of Nexi Securities as is equal in value to the Earn-out Consideration, calculated on the basis of the volume weighted average price of a Nexi Share for the period of one week, such period ending on the date that is one business day before the EBITDA Earn-out Settlement Date. The aggregate number of EBITDA Earn-out Shares which could be issued to the Nets Shareholders shall not exceed 40,000,000.

For more details regarding calculation of the components of the EBITDA Earn-out and determination of the EBITDA Earn-out Shares, please see Schedule 4 to the Merger Plan.

3.2 Exchange procedure

At the effectiveness of the Merger, each ordinary share of Nets Topco 2 then-issued will be cancelled by operation of law and will be exchanged into the number of Rollover Securities determined on the basis of the Exchange Ratio. By operation of law, Nexi will increase its share capital and allot the Rollover Securities to the Nets Shareholders.

The Rollover Securities to be allotted upon completion of the Merger will be issued with effect as of the Merger Effective Time (or immediately thereafter) in dematerialized form and delivered to the Nets Shareholders through the applicable centralized clearing systems organized by Monte Titoli S.p.A.

In the event that the application of the Exchange Ratio would not lead to the delivery of a whole number of Nexi Shares to any Nets Shareholder, the actual amount of Nexi Shares to be delivered at the Merger Effective Time to such Nets Shareholder(s) will be rounded down to the nearest whole number.

To facilitate the application of the Exchange Ratio, Nexi will increase its corporate capital up to a maximum of Euro 36,966,198 through issuance of maximum no. 406,628,176 Rollover Securities.

In order to finance the Centurion Earn-out, Nexi will be authorized to issue up to no. 25,000,000 Nexi Shares, without any increase of the share capital.

In order to finance the EBITDA Earn-out, Nexi will be authorized to issue up to no. 40,000,000 Nexi Shares without any increase of the share capital.

The Further Rollover Securities (if and when issued) will be allotted, respectively, to Nets Shareholders *pro rata* to the percentage of Nets Topco 2 ordinary shares held by each Nets Shareholder immediately prior to the effectiveness of the Merger, in dematerialized form and delivered to the Nets Shareholders through the applicable centralized clearing systems organized by Monte Titoli S.p.A.

In the event that the application of the formulas provided for the Centurion Earn-out Shares and the EBITDA Earn-out Shares (as applicable), would not lead to the delivery to any Nets Shareholder of a whole number of Nexi Shares, the actual amount of Centurion Earn-out Shares and/or EBITDA Earn-out Shares (as applicable) to such Nets Shareholder(s) will be rounded down to the nearest whole number.

4. SPECIAL ADVANTAGES GRANTED TO THE EXPERTS EXAMINING THE COMMON CROSS-BORDER MERGER PLAN, THE MEMBERS OF THE BOARDS OF DIRECTORS OF THE MERGING COMPANIES OR THEIR STATUTORY AUDITORS

No special advantages shall be granted to any member of the Boards or any member of management of the Merging Companies or to any other person as result of or in connection with the Merger.

No special advantages have been established for the joint independent expert appointed at the joint request of the Merging Companies for purposes of drafting the Merger Expert Report as a result of or in connection with the Merger. The joint independent expert shall receive adequate remuneration in consideration for the services rendered.

No special advantages have been established for the statutory auditors or any member of any supervisory or controlling body of the Merging Companies as a result of or in connection with the Merger.

5. EFFECTIVE DATE OF THE MERGER AND ACCOUNTING AND TAX EFFECTS

Subject to the completion of the pre-merger formalities and the satisfaction (or the waiver, as the case may be) of the conditions and the Preliminary Reorganization, the Merger will become effective at 00:01 CET on the day immediately following the later of: (i) the satisfaction of the Merger Deed Conditions; and (ii) the different date and time agreed among the Merging Companies and reflected in the Merger Deed (the "**Merger Effective Time**"), it being understood that under no circumstance the Merger Effective Time can fall before the date of registration of the Merger Deed with the Companies' Register of Milan-Monza-Brianza-Lodi.

The Companies' Register of Milan-Monza-Brianza-Lodi will subsequently inform the *Registre de Commerce et des Sociétés* in Luxembourg about the Merger Effective Time.

The assets, liabilities and other legal relationships of Nets Topco 2 will be reflected in the accounts and other financial reports of Nexi as from the Merger Effective Time.

The Merger Deed will provide that, for the purposes of Italian income taxes, the Merger will be treated as an European cross border merger falling within Article 178 and ff. of the Italian Presidential Decree no. 917 of 22 December 1986 (being the Italian domestic Tax provisions implementing Directive n. 90/434/EC) the effects of the Merger will run from the Merger Effective Time.

6. DATE AS OF WHICH AND EXTENT TO WHICH THE ROLLOVER SECURITIES, THE CENTURION EARN-OUT SHARES AND THE EBITDA EARN-OUT SHARES ISSUED AS A RESULT OF THE MERGER WILL BE ENTITLED TO PARTICIPATE IN THE PROFITS OF NEXI

The Rollover Securities issued to the Nets Shareholders, under the terms set forth above, will be entitled, as of the Merger Effective Time, to participate in the profits of Nexi under the same terms and conditions as the existing Nexi Shares. No particular rights to dividends will be granted to holders of Rollover Securities in connection with the Merger.

The Centurion Earn-out Shares will be entitled, as of the date of the relevant issuance, to participate in the profits of Nexi under the same terms and conditions as the existing Nexi Shares.

The EBITDA Earn-out Shares will be entitled, as of the date of the relevant issuance, to participate in the profits of Nexi under the same terms and conditions as the existing Nexi Shares.

7. INFORMATION ON THE PROCEDURES FOR THE INVOLVEMENT OF EMPLOYEES IN THE DEFINITION OF THEIR RIGHTS OF PARTICIPATION IN NEXI

Article 19 of Legislative Decree 108, regulating participation of employees, is not applicable to the Merger as neither Nexi nor Nets Topco 2 participate in an employee participation scheme within the meaning of the Directive. In light of the above, no special negotiations have occurred or are required with regards to employees' participation in the context of the contemplated Merger.

8. EXPECTED EFFECTS OF THE MERGER ON SHAREHOLDERS, CREDITORS AND EMPLOYEES

8.1 Impact of the Merger on shareholders

As to the new shareholder structure and control of Nexi subsequent to the Merger, please refer to Section 9 below. There are no further impacts of the Merger affecting shareholders of Nexi.

8.2 Impact of the Merger on creditors

Creditors of Nexi whose claims preceed the registration of the Merger Plan with the Companies' Register of Milan-Monza-Brianza-Lodi will be entitled to oppose the Merger pursuant to Article 2503 of the Italian Civil Code within 60 days of the registration provided for by Article 2502-*bis* of the Italian Civil Code, unless such period is terminated earlier as a consequence of the recourse to the cautions and remedies provided for by Article 2503 of the Italian Civil Code. Also in case of opposition, the competent Court – if it deems the risk of prejudice to creditors ungrounded or where the company has posted a bond sufficient to satisfy creditors' claims – may nonetheless authorize the Merger despite the opposition, pursuant to Article 2503 of the Italian Civil Code.

According to Article 1021-9 (1) of the Luxembourg Company Law, creditors whose claims predate the publication of the Merger Plan (whether due or not due), have the right to request guarantees for the payment of their claims within two months after the publication of the notarized certificate established in accordance with Article 1021-14 (1) of the Luxembourg Company Law.

The request shall be made to the judge presiding the district court dealing with commercial matters in whose district the debtor company has its registered office, sitting as in urgency matters.

The presiding judge will dismiss the request if the creditor already disposes of adequate securities, or if these are not necessary given the assets of the company after the Merger. The debtor company can cause this request to be dismissed by satisfying the creditors, even if the claims are not yet due. This right must be indicated to the creditors in the publication of the Merger Plan in the "*Recueil Electronique des Sociétés et Associations*"

8.3 Impact of the Merger on employees

The Merger is not expected to have any material impact on the employees of Nexi or Nets Topco 2, also considering that this latter does not have any employees.

In accordance with the provisions of Article 8 of Legislative Decree 108, the Report on the Merger will be made available to Nexi's employees at least 30 days prior to the approval of the Merger.

The Merger will not have any impact on employment in the sense of Article 1021-1 (4) 2° of the Luxembourg Company Law, given the fact that Nets Topco 2 does not have any employees. There is therefore no requirement to provide information concerning the procedure on the participation of the employees in compliance with Article 1021-1 (4) 3° of the Luxembourg Company Law in relation to Nets Topco 2.

9. SHAREHOLDER STRUCTURE AND CONTROL OF NEXI SUBSEQUENT TO THE TRANSACTION. APPLICATION OF WHITEWASH MECHANISM

9.1 Current shareholding structure of Nexi

The following table shows the current percentage interest of major shareholders in Nexi (*i.e.*, shares representing 3% or more of voting rights) on the basis of the publicly available information.

Nexi's shareholders	*%*
Mercury UK Holdco Ltd.	**20.075%**
Government of Singapore Investment Corporation Pte Ltd.	**3.186%**
Intesa Sanpaolo S.p.A.	**10.489(*)%**
Other shareholders (**)	**66.25%**

(*) Intesa Sanpaolo S.p.A. holds the overall participation also through Unione Banche Italiane S.p.A.

(**) "Other shareholders" may include directors owning shares of Nexi, as the case may be.

Pursuant to Article 93 CFA, as subsequently integrated and amended, Mercury controls Nexi, holding an interest representing approximately 20.075% of the current share capital of Nexi.

9.2 The shareholding structure of Nexi following the effectiveness of the Merger

The following table shows the expected percentage interest of major shareholders in Nexi following the Merger Effective Time on a pro-forma basis, in light of currently available information. The calculation is based on the proposed Exchange Ratio and on the assumption that (i) share ownership in Nexi remain unchanged until that date; and (ii) the Nets Shareholders' shareholdings in Nets Topco 2 as set out in section 1.4 above are unchanged prior to the effectiveness of the Merger.

Nexi's shareholders	*%*
Evergood H&F Lux S.à r.l.	**25.1%**
AB Europe (Luxembourg) Investment S.à r.l.	**5.1%**
Mercury UK Holdco Ltd.	**12.2%**
Eagle (AIBC) & CY SCA	**7.6%**
GIC Private Limited	**2.3%**
Intesa Sanpaolo S.p.A.(*)	**6.4%**
Other shareholders(**)	**41.4%**

(*) Intesa Sanpaolo S.p.A. holds the overall participation also through Unione Banche Italiane S.p.A.

(**) "Other shareholders" may include directors owning shares of Nexi, as the case may be.

The table above has been prepared on a pro-forma basis, in light of currently available information, also on the basis of the Liquidation; provided that in the context of the Liquidation all shares of Nets Topco 2 held by Nets Topco 1 shall be distributed in accordance with the waterfall in the corporate by-laws of Nets Topco 1 on the basis of an amount of proceeds equal to the number of Rollover Securities multiplied by the price per Nexi Shares which shall be calculated on the basis of the volume weighted average price of a Nexi

Shares for the period of one month, such period ending on the date that is one business day prior to the date of the relevant distribution carried out in the context of the Liquidation either: (i) as a result of an interim liquidation surplus distribution decided by the liquidator of Nets Topco 1 (then in liquidation) and/or (ii) as a result of the completion of the Liquidation.

For illustrative purposes only, the following table shows the expected percentage interest of major shareholders in Nexi following the Merger Effective Time on a pro-forma basis, assuming that – upon occurrence of the relevant conditions – the Centurion Earn-Out Shares and the EBITDA Earn-out Shares are issued up to the respective maximum amount. The calculation is based on the proposed Exchange Ratio and on the assumption that share ownership in Nexi remain unchanged until that dates and is subject to the limitations and qualifications referred to in the previous sentence.

Nexi's shareholders	***%***
Evergood H&F Lux S.à r.l.	**27.3%**
AB Europe (Luxembourg) Investment S.à r.l.	**5.5%**
Mercury UK Holdco Ltd.	**11.5%**
Eagle (AIBC) & CY SCA	**8.3%**
GIC Private Limited	**2.2%**
Intesa Sanpaolo S.p.A.(*)	**6.0%**
Other shareholders(**)	**39.2%**

(*) Intesa Sanpaolo S.p.A. holds the overall participation also through Unione Banche Italiane S.p.A.

(**) "Other shareholders" may include directors owning shares of Nexi, as the case may be.

9.3 Whitewash procedure

On the basis and as a consequence of the shareholders' agreements executed on November 15, 2020 (as subsequently amended and as described under Section 10 below), that are inherently connected with the Merger from a functional and timing perspective, at the Merger Effective Time the Nets Shareholders together with Mercury will have voting rights exerciseable at the Nexi's shareholders' meeting, which are higher than the threshold under Article 106 CFA. Please see Section 10 below for further details on shareholders' agreements. However, if following the Merger Evergood H&F Lux S.à r.l. were to hold the shareholding estimated in Paragraph 9.2 above, it would individually hold a number of voting rights exercisable in the Nexi Shareholders' Meeting in excess of the aforementioned threshold.

Therefore, in accordance with the CFA, completion of the Merger would create an obligation for such shareholders to launch a public offer for all holders of shares in Nexi, relating to all the shares they hold which are admitted for trading. However, under Article 49 paragraph 1, let. g) of the Issuer's Regulation, a purchase above the Article 106 CFA threshold does not require a full public offer if "*it is the result of a merger or spin-off approved by a shareholders' meeting resolution of the company whose shares would otherwise be the subject of the offer and, without prejudice to Articles 2368, 2369 and 2373 of the Italian Civil Code, without the vote against of the majority of the shareholders present at the shareholders' meeting itself, other than the shareholder acquiring the shareholding that exceeds the relevant threshold and the shareholder(s) who hold, also jointly, the majority share or relative majority if above 10% (ten percent)*" (the "**Whitewash Procedure**").

In light of the above, the shareholders of Nexi are informed that the resolution approving the Merger will only take effect if it is approved also in application of the Whitewash Procedure referred to in Article 49 paragraph 1, let. g) of the Issuers' Regulation.

10. EFFECT OF THE MERGER ON SHAREHOLDER AGREEMENTS

On November 15, 2020, the following shareholders agreements have been executed in relation to the Merger:

(i) irrevocable undertaking, governed by English law by which Mercury undertakes to Nexi S.p.A, to fulfill certain obligations, including (i) voting at the shareholders' meeting of Nexi in favour of the Merger and (ii) not to transfer its shares of Nexi before having fulfilled the obligation set forth in point (i) above;

(ii) the shareholders' agreement governed by English law and executed by Evergood H&F Lux S.à r.l, AB Europe (Luxembourg) Investment S.à r.l., Eagle (AIBC) & CY SCA and Mercury, which regulates, *inter alia*, the commitments undertaken by each of the parties in the wider context of the Merger and concerning, in particular, (i) the governance of Nexi; (ii) certain specific limitations to the possible transfer of Nexi Shares; and (iii) the procedures for the transfer of Nexi Shares, as furtherly amended on December 4, 2020.

(iii) the amending agreement, governed by English law and executed by Advent International Corporation in the name and on behalf of certain funds managed by the same, Bain Capital Private Equity Europe LLP in the name and on behalf of certain funds managed by the same, Clessidra SGR S.p.A. in the name and on behalf of Clessidra Capital Partners 3 fund managed by the same, Mercury AI S.à r.l., Mercury BC S.à r.l., Fides S.p.A., Mercury A Capital Limited, Mercury B Capital Limited, Mercury ABC Capital Limited and Mercury, amending certain provisions of the shareholders' agreement entered into by and between the same parties on March 11, 2019, which regulates, *inter alia*, (i) the governance of Mercury; (ii) specific limitations on the possible transfer of Mercury shares; (iii) the governance of Nexi; and (iv) specific limitations on the possible transfer of Nexi shares;

(iv) the separate and autonomous lock-up agreements executed by Nexi and, respectively, AB Europe (Luxembourg) Investment S.à r.l., Eagle (AIBC) & CY SCA, Evergood H&F Lux S.à r.l., Bamboh Co-Investments ApS, EmpCo A7S, nInvestment 1 ApS, nIvestment Lux S.C.Sp, and Stargazer Invest ApS; and

(v) the management sell-down agreement concerning ordinary shares of Nexi, executed by AB Europe (Luxembourg) Investment S.à r.l., Eagle (AIBC) & CY SCA, Evergood H&F Lux S.à r.l., on the one hand, and Bamboh Co-Investments ApS, EmpCo A7S, nInvestment 1 ApS, nIvestment Lux S.C.Sp, and Stargazer Invest ApS, on the other hand.

On the basis of the publicly available information, the Merger may not have an impact on such shareholders' agreements above, provided that:

(i) the shareholders' agreement under point (i) above shall be effective starting from the execution date of the same and until the earlier of (a) the date of effectiveness of the Merger, (b) the termination of the Framework Agreement and (c) the date that falls 15 months after date of execution of the shareholders' agreement itself;

(ii) the shareholders' agreement under point (ii) above shall be effective starting from the effective date of the Merger, until the third anniversary of the same, except for specific provisions that have entered into force starting from the execution date of the shareholders' agreement itself; and

(iii) the commitments set out lock-up agreements under point (iv) above, shall be effective from the effective date of the Merger and until the specific and different expiration dates provided therein.

For more information about the aforementioned shareholders' agreements, refer to the excerpt from Articles 122 CFA and Articles 129 and 131 of the Issuers' Regulation published on the website www.nexi.it, in the section "Investors/Nexi Group/Governance/Shareholders' agreements" and to the essential information from

Articles 122 CFA and Articles 130 and 131 of the Issuers' Regulation available on the same website, www.nexi.it, in the section “Investors/Nexi Group/Governance/Shareholders’ agreements”.

11. SHAREHOLDERS ENTITLED TO EXERCISE WITHDRAWAL RIGHTS

As s result of the Merger, the shareholders of Nexi are not entitled to exercise any withdrawal right pursuant to and for the effects of Article 2437 of the Italian Civil Code and/or other applicable laws.

12. PROPOSED RESOLUTION

The proposed resolution is attached to this Report.

* * * * *

Milan, 28 January 2021

On behalf of the Board of Directors

Michaela Castelli

The Chairman

ANNEX

PROPOSAL OF RESOLUTION

“The Extraordinary Shareholders' Meeting of **Nexi S.p.A.**:

- having examined the Merger Plan and the related Board of Directors' Report;

- having examined the Merger Expert Report;

- having examined the respective interim financial statements as at 30 September 2020 of the Merging Companies;

RESOLVES

1.) to approve the common cross-border merger plan relating to the merger by incorporation

into the company of Italian nationality

"Nexi S.p.A."

with registered office in Milan, Corso Sempione no. 55

of the company of Luxembourg nationality

"Nets Topco 2 S.à r.l."

with registered office at 15, boulevard F.W. Raiffeisen, L-2411 Luxembourg

in accordance with the procedures and subject to the fulfilment of the conditions set out in the Merger Plan - which shall be deemed to be reproduced and referred to herein in its entirety - and in particular, *inter alia*, as follows:

(i) on the basis of the respective interim financial statements as at 30 (thirty) September 2020 (two thousand and twenty) for both Merging Companies

(ii) with the cancellation of all the ordinary shares representing the entire share capital of Nets Topco 2 and the issue: *(x)* according to the Exchange Ratio referred to in paragraph 3. (three) of the Merger Plan, of a total of 406,628,176 new shares of Nexi S.p.A. with no nominal value to be assigned to the Nets Shareholders (the "Rollover Securities"), with a consequent increase in the share capital of Nexi of Euro 36,966,198.00, and with a possible further issue within the maximum term of 31 July 2022 *(y)* of a total of 65,000,000 new Nexi S.p.A. shares with no nominal value, again to be allocated to Nets shareholders, of which a maximum of 25,000,000 to service the Centurion Earn-out and a maximum of 40,000,000 to service the EBITDA Earn-out (the "Further Rollover Securities"), without any further increase in Nexi's share capital;

(iii) with the legal effects (vis-à-vis third parties) of the Merger running from the Merger Effective Time as set forth in paragraph 6 (six) of the Merger Plan - also for Italian tax purposes (pursuant to Presidential Decree No. 917 of 22 December 1986);

All of the above provided that
- as a consequence of the Merger, the by-laws of Nexi will be amended to reflect:
(i) the increase in share capital required by the issue of the Rollover Securities and
(ii) the updated number of outstanding Nexi shares resulting from the issue of the Rollover Securities; and
(iii) the conditional issue of the Further Rollover Securities relating to the Centurion Earn-out and the EBITDA Earn-out,
with the consequent adoption, from the Merger Effective Time, of the text of the by-laws attached to the Merger Plan as Annex 2 thereto; and
- this resolution shall be effective only if it is approved without the contrary vote of the majority of the

shareholders present at the meeting, not taking into account the shareholder who acquires the shareholding higher than the relevant threshold or the shareholder or shareholders who hold, even in concert, the majority shareholding, even if relative but provided that it exceeds 10% of the share capital pursuant to Article 49, paragraph 1, letter g) of Consob Regulation No. 11971 of 14 May 1999, as amended and supplemented, and therefore, if the above conditions are met, it will exempt Evergood H&F Lux S.à r.l. and/or Mercury UK Holdco Limited and the parties acting in concert with them from the obligation to launch a takeover bid for all the securities of the acquiring company.

2.) to grant a mandate to the administrative body of the Company, and to the legal representatives pro tempore in office, also severally, to execute the above resolutions and, in particular, to:

a) enter into, subject to the fulfilment and/or waiver (as applicable) of the preliminary conditions set out in Paragraph 14. of the Merger Plan, also through special attorneys appointed for this purpose and with the express power referred to in Article 1395 of the Italian Civil Code, the deed of merger by incorporation into the Company of Nets Topco 2;

b) establish all clauses, terms and conditions (including suspensive ones) of the aforementioned deed in compliance, however, with the Merger Plan and the resolutions referred to above; sign any supplementary or amending deeds, establishing all clauses and terms; consent to the transfer of the name ("*trasferimento di intestazione*") and the transfer of the company ("*voltura*") to Nexi S.p.A. of any assets, including, *inter alia*, any movable and immovable property registered in public registers, public and private securities, rights, guarantees and receivables from the State and other public bodies, both in Italy and abroad;

c) in general, perform all that is required, necessary and useful for the complete implementation of the above resolutions; furthermore, perform all formalities necessary for the registration of the adopted resolutions in the competent Company Register, accepting and introducing any non-substantial amendments, additions or deletions that may be required by the competent authorities, with all necessary or appropriate powers for the fulfilment of the legal and regulatory requirements resulting from the adopted resolutions; to carry out any formalities at any public or private office and to make any consequent changes to Article 6 of the by-laws from time to time, and to this end to perform all the formalities and publicity required by law. "